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The Political Quarterly

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The Political Quarterly

INTERNATIONAL CONTROL

THE present war has above all things shown the need for a new development in international control. The refusal of Austria-Hungary to submit the dispute with Servia to a court of arbitration, the frustration by Germany of the conferences offered on behalf of the Powers, the violation of Luxemburg and of Belgium, and lastly the long sequel, steadily growing, of flagrant disregard for the conventions of war built up patiently by international agreements—all these facts show how weak at a time of crisis is the machinery of international control, and how vital it is that the situation in this respect is not left as it was. Great as are the issues of the present war, the greatest is that of international right and honour, and it is not therefore too soon to face the problem of how international control can be made more effective. In particular two things have to be reconsidered, namely, the position of international arbitration, and the security of international agreements regulating the conduct of war. These two matters are logically connected one with the other. The first object of international control is to prevent, if possible, recourse to force in settling disputes. The second object is to secure that when war has come it is carried on with regard for international conventions in the interests alike of individual combatants, of non-combatants, and of neutrals.

I

First of all it is necessary to consider the position of international agreements with a view to the peaceful settlement of disputes. Circumstances such as the present are apt to sweep out of recollection the great progress which has been made. As is well known, the principle of international arbitration has illustrations which go far back in the history of nations. But it is within quite recent years that by far the most hopeful advance in this direction has been made. In 1899 the first Hague Conference was summoned at the instance of the Tsar of Russia. In 1907 the second Hague Conference was called on the initiative of the President of the United States. It was recommended by the second conference that a third conference should follow at a similar interval. If all the progress that the conveners of the first two Hague Conferences hoped to achieve was not realized, if important questions remained outstanding on which nations were not prepared to reach a settlement, nevertheless the conventions of the Hague and the results which have followed from them mark an important stage in the development of international arbitration. In the first place, the Hague Conventions revealed much as to the state of mind of the several Governments on the leading questions of international control. Neither at the first nor at the second conference were the times ripe for the adoption of 'obligatory international arbitration'. At the second conference the general principle of obligatory international arbitration was accepted, while its application remained within the discretion of each individual Power. But the Hague Conventions have helped materially to determine what questions can be most properly settled by arbitration, while by securing the establishment of a Permanent Court of Arbitration they have provided machinery to hand for the use of nations in case of dispute.

In the second place, the Hague Conventions undoubtedly gave a great impulse to international arbitration, and in the past fifteen years over 150 treaties of arbitration have been signed. But these treaties are in most cases limited in two ways. First, they are (with the exception of a joint agreement among certain Central and South American States) separate and individual agreements between two States. There is not, in other words, a general convention among all States willing to arbitrate. Second, all but a few of the existing treaties reserve from arbitration questions of 'national honour, independence, and vital interests'. This type of agreement is to be seen in the Treaty of Arbitration between the United Kingdom and France of 1903,¹ which has been taken as a model for the arbitration treaties concluded between the United Kingdom and other countries.

That Treaty provides, in its first article, that :

Differences which may arise of a legal nature or relating to the interpretation of Treaties existing between the two Contracting Parties, and which it may not have been possible to settle by diplomacy, shall be referred to the Permanent Court of Arbitration established at The Hague by the Convention of July 29, 1899 : provided, nevertheless, that they do not affect the vital interests, the independence, or the honour, of the two Contracting States, and do not concern the interests of third Parties.

It is further provided, in the second article of the Treaty, that in each individual case,

The High Contracting Parties, before appealing to the Permanent Court of Arbitration, shall conclude a special agreement defining clearly the matter in dispute, the scope of the powers of the Arbitrators, and the periods to be fixed for the formation of the Arbitral Tribunal and the several stages of the procedure.

Such is the typical treaty of arbitration ; it is hedged about with safeguards, and the fact is symptomatic of the state of mind of nations with regard to arbitration.

Now each of these limitations is in its own way highly significant. To make oneself a party not to a general arbitration

¹ Cd. 1837. 1903.

convention, but to a particular treaty with another State, and to deliberately enter upon a separate binding engagement with each State, is a method which, if somewhat cumbrous, has certain advantages. As an act expressing direct good relationship between two States it is much more personal than a general convention. Again, it is a simple act binding two parties, which does not carry with it the more indefinite responsibilities and obligations which a general treaty or convention including a large number of States may involve. Further, if it seems a slow and tentative method, the large number of treaties which have been signed proves that it is an effective way of leading nations into the habit of arbitration, while it leaves the initiative to individual States to enter upon more unreserved agreements, as has been done in certain treaties among the smaller States of Europe and America. The cautious but gradual acceptance of the habit of arbitration prepares the way for wider agreements.

Still more important is the second limitation by which, in most cases, nations have reserved questions of 'vital interests, independence and national honour'. Inasmuch as it is open to either of the contracting parties to declare a matter to be a question of 'vital interest' or of 'national honour', these reservations seriously limit the scope of most existing treaties of arbitration. At the same time the hesitation of States is natural. The principle of arbitration, while commanding wide assent and receiving general sympathy, has to face the strongly established doctrine of the sovereignty of the State, and sovereign States will not readily commit themselves to new and far-reaching obligations which limit their sovereignty. This is the more easily understood as the constitution of international courts has proved a subject of considerable difficulty. The history of the Hague Conferences shows that nations are still inclined to think in political terms about judicial institutions. Equal State representation, or something like it, is strongly desired.

But representation is an idea which belongs to the legislative function of government. The judicial function, strictly speaking, has nothing to do with the representative idea, otherwise judgements tend to become political rather than judicial ; and it is the danger of international courts becoming political rather than judicial which accounts in part for the hesitation of States to commit themselves fully to international arbitration. Before sovereign bodies will undertake to arbitrate all things, they must be satisfied as to the competence and impartiality of the court. It is therefore usual to find in treaties of arbitration not only restriction of powers, but conditions laid down with regard to an agreement upon the constitution of the court of arbitration.

Nevertheless in some cases the smaller States have advanced boldly and have drawn up unreserved treaties of arbitration, and in recent years even among the greater Powers there has seemed hope for progress in this direction. Speaking in the House of Commons on March 13, 1911, on the subject of the Army and Navy Estimates, Sir Edward Grey made the following statement :

I can conceive of but one thing that will really affect this military and naval expenditure of the world on the wholesale scale in which it must be affected if there is to be a real and sure relief. You will not get it till nations do what individuals have done, come to regard an appeal to law as the natural course for nations, instead of an appeal to force. Public opinion has been moving. Arbitration has been increasing. But you must take a large step further before the increase of arbitration will really affect this expenditure on armaments. I should perhaps have thought that I was not spending the time of the House profitably in asking the House to look to arbitration as something which could really touch this great expenditure, had it not been for the fact that twice within the last twelve months, in March and December, the President of the United States has sketched out a step in advance in

arbitration more momentous than anything that any practical statesman in his position has ventured to say before—pregnant with consequences, and very far-reaching. I should like to quote two statements by the President of the United States. Here is the first one:

Personally I do not see any more reason why questions of national honour should not be referred to courts of arbitration, as matters of private or national property are. I know that is going further than most men are willing to go, but I do not see why questions of honour should not be submitted to tribunals composed of men of honour who understand questions of national honour, and abide by their decision as well as any other questions of difference arising between nations.

The other statement is:

If we can negotiate and put through agreements with some other nations to abide by the adjudication of international arbitration courts in every issue which cannot be settled by negotiation, no matter what it involves, whether honour, territory, or money, we should have made a long step forward by demonstrating that it is possible for two nations at least to establish between them the same system which through the process of law has existed between two individuals under Government.¹

Sir Edward Grey expressed his readiness to meet the advances thus made, and a treaty on the lines of unreserved arbitration, between the United States and England, was drafted. The proposed treaty failed to eventuate, owing to opposition in the Senate of the United States. But the case points to the main difficulty which besets the path of unlimited arbitration. If a State commits itself to arbitration it is in honour bound to accept the verdict. It is true that there is as yet no international power to execute the verdict against a State which refuses to accept it. But neither the past experience of arbitration, nor an estimate of the considera-

¹ Hansard, vol. xxii, p. 1989.

tions which guide States, makes refusal to abide by the judgement of the court a probable contingency. When a State has gone so far as to agree to arbitrate, and has accepted the constitution of the court, it will stand by the verdict. It is in other directions—to be considered presently—that the sanction of force is of much more vital importance.

But the stage of development in which the Great Powers will agree to submit 'vital interests and national honour' to a court of arbitration will only be slowly reached. Other steps must precede it, and the first thing to secure is that there is the right of fair and full inquiry before hostilities are precipitated. It is a much more limited but a much more reasonable claim that, if diplomacy fails, there shall be investigation and mediation in all disputes before war is declared. To submit a case to inquiry and mediation is one thing, to agree to accept arbitration is a very different proposal. There is here an instructive analogy with industrial disputes. Experience has shown that in many important issues investigation and conciliation are better methods than arbitration for the purpose of securing industrial peace. Arbitration, which implies a final judgement, has its proper field in certain matters of industrial or political dispute, as for example, in the interpretation of agreements and like questions of a juridical character. But there are other matters, and these of the most vital interest, on which the state of public opinion between the disputants—whether industrial or political—is such as to make inquiry and conciliation a more acceptable way of securing mutual understanding and a settlement. A recent development has given a striking proof of the recognition of this fact.

Since the outbreak of the war, a Treaty has been signed and ratified between the United Kingdom and the United States which marks a very important advance towards the peaceable settlement of disputes between these countries.

This Treaty, signed at Washington, September 15, 1914, and ratified on November 10, 1914, provides that :

all disputes between the High Contracting Parties of every nature whatsoever, other than disputes, the settlement of which is provided for and in fact, achieved under existing agreements between the High Contracting Parties, shall, when diplomatic methods of adjustment have failed, be referred for investigation and report to an International Commission . . . and the Contracting Parties agree not to declare war or begin hostilities during such investigation and before the Report is submitted.¹

The Treaty further provides for the constitution of the International Commission, and for its appointment within six months after the ratification of the Treaty. It also provides that on any matter of dispute the Report of the International Commission shall be completed within one year after the date on which it shall declare its investigation to have begun, unless the High Contracting Parties shall limit or extend the time by mutual agreement. The Report of the Commission is not, like the award of a court of arbitration, binding on the parties.

The High Contracting Parties reserve the right to act independently on the subject-matter of the dispute, after the Report of the Commission shall have been submitted.²

Thus this Treaty, which applies also to disputes affecting the British Dominions, does not provide for arbitration, but by securing investigation and delay it strengthens the chances of peace. But in the present state of international relations it is more important to get a treaty by which two nations will agree to submit all disputes, when diplomacy fails, to a commission of inquiry which has no binding power, than to secure a treaty of arbitration which is limited to matters other than 'vital interests'. It is therefore a highly significant step which the United States has made in inaugurating the establishment of such treaties, and it is greatly to be hoped that the precedents which have now been established will be widely followed.³

¹ Cd. 7714, Article I.

² Ibid. Article 3.

³ In the same month, November 1914, a Treaty of Arbitration with

But even if this is done there still remains a serious question outstanding. Is a sovereign State to have the right of claiming, when it is threatened by another State, that the dispute shall be referred to an international court of inquiry? Is it a fundamental right of States as of individuals that they shall not be condemned and punished without the case being heard? The war has raised and must answer this question. It may be that no single State or group of States is prepared to shoulder an obligation to support this claim on the part of any other State. But if no State is willing to undertake separately or jointly a general obligation, there is a more limited obligation which certain States may be willing to recognize, and which would mark an advance in the security of international relations. In his speech on March 13, 1911, Sir Edward Grey said, in speaking of the possibility of an unreserved treaty of arbitration between the United States and England:

It is true that the two nations who did that (i.e. enter upon an unreserved agreement) might still be exposed to attack from a third nation who had not entered into such an agreement. I think it would probably lead to their following it up by an agreement that they would join with each other in any case in which one only had a quarrel with a third Power by which arbitration was refused.

That is a noteworthy statement, and was made with regard to the right of arbitration, and not to the much lesser right of investigation. May it not therefore be the next practical step that when a nation enters upon a treaty of peace with another State it will not simply provide that disputes between these two States shall be referred for investigation and report before the declaration of hostilities, but that the protection of each shall be guaranteed against any third Power or group of Powers which refuses to accept an international inquiry? It has

the customary reservations, 'vital interests', &c., was signed between such old allies as England and Portugal!

been pointed out how that arbitration has advanced by means of individual treaties, and it may well be that by means of such individual treaties of peace weaker nations will be guaranteed against sudden or unfair aggression from other States. No doubt such an arrangement involves risks, but in national as in other affairs it is by undertaking risks that anything great is done. The times are not yet ripe for an international convention binding the family of States to abolish war, and therefore when risks are taken it behoves a State to be prepared for the defence of the rights which it recognizes. But it should be clearly understood what is the nature of the right which is to be guaranteed. It is not the right of arbitration ; that is a fuller demand which will in time bring great benefit and relief to civilization ; it is the right simply that, before the trial of war, inquiry shall be made by an international commission, so that nations may hear the case and determine their action in accordance with what they feel to be their duty to themselves and to others. The growth of international control depends ultimately on the strength and morality of international public opinion.

II

International control has, in the second place, to deal with the observance of rules for the conduct of war. During the past sixty years, since the Crimean War, this subject has from time to time engaged the attention of nations, and has led to important agreements—agreements which, it should be said, have secured a very large amount of observance. For while in the present war there have been serious violations of international agreements, it should also be remembered to what extent the conventions of war have been honourably respected by all parties. The Declaration of Paris in 1856, the Geneva Conventions of 1864 and 1868, the Declaration of St. Petersburg in 1868, the Conference of Brussels in 1874, the Hague Con-

ference of 1899, the Geneva Convention of 1906, the second Hague Conference of 1907, and the Declaration of London of 1909, mark important stages in the progress of discussion and agreement on the principles which should regulate the conduct of warfare, and the rights and duties of belligerents, non-combatants, and of neutrals.

But there are three considerations which must be kept in mind. First, the conditional character of many of the regulations. While there has grown up a substantial body of rules of conduct regulating very important matters, such as the respect of the Red Cross, the use and observance of the White Flag, the treatment of prisoners who have surrendered, or of wounded captives, the treatment of non-combatants and their property, the bombardment of unfortified places, the sinking of the crews of unarmed enemy ships, and many other matters, yet much which regulates the usage of war is left in a form which is conditional and even indefinite. The latitude of interpretation is wide, and the qualifications made upon the general rules leave room for evasion. But it is not only that in the particular Conventions themselves there are loopholes which largely destroy the value of the rules. The principle laid down in the Convention of St. Petersburg in 1868, that 'the sole end in the conduct of war is the weakening of the military forces of the enemy' has itself been denied. The German Manual on 'The Usage of War on Land' explicitly states the wide discretion which the greatest single military Power reserves to itself:

A war conducted with energy cannot be directed merely against the combatants of the Enemy State and the positions they occupy, but it will and must in like manner seek to destroy the total intellectual and material resources of the latter. Humanitarian claims, such as the protection of men and their goods, can only be taken into consideration in so far as the nature and object of the war permit.¹

¹ p. 52 *The German War Book*, translated with a critical introduction by Professor J. H. Morgan (John Murray, 1915).

Second, the experience of the present war has shown that even in the twentieth century gross violations of the international code of conduct—some actual, others threatened—have to be reckoned with.

Third, there is the fact that there is no international executive to enforce observation of the international rules of war and to inflict punishment where these rules are disregarded. The absence of an effective sanction not only permits nations to disregard in the course of warfare the honourable agreements made in time of peace, but it also has the effect of preventing adequate regulations being made. For it is true at least to some extent that where regulations cannot be enforced they are not made. It is clear from the present state of many Conventions, such as those with regard to the use of mines at sea and of bombs from aircraft, that much more stringent international regulations are required. It is also clear that, with the new developments especially in naval warfare, the field of international regulations has to be reconsidered and extended. But the main problem is to make international control of such regulations effective.

One difficulty which has to be overcome—as a first step towards effective control—is to secure reliable evidence. A nation which has contravened the rules of war will hardly scruple to deny the contravention, and to seek to overthrow the evidence brought against it. Moreover, commissions of inquiry which may be established as in the present war by belligerents will always be liable to the suspicion of being partial, however careful and impartial their evidence and judgement may be. There is only one way of satisfactorily dealing with this situation, namely, that in all cases of war breaking out between two or more nations, accredited international representatives shall be attached to each side of the combatants, with full powers of inquiry and investigation, and with the duty of reporting to the international authority on contraventions of international rules. A

system of neutral international observers would in itself be a deterrent influence on the commission of crime. It is a fact none the less well known, though it is a melancholy confession, that men are less likely to commit a crime when they are under observation than when they are themselves the sole witnesses and judges of their action. It also seems to be a fact that men in association, especially under the strain of war, will often commit organized excesses which individually they would shrink from doing. But just as in a contest there are the rules of the game and the umpire standing present to penalize any foul play, so, while the same executive control cannot immediately be affected by international observers, none the less their presence would not only tend to check the disregard of international conventions, but it should also bring with it international intervention if the warnings of the observers are disregarded. This, however, raises a fundamental question which affects both the right of appeal before hostilities and the conduct of war when it has come, namely the question of the sanction which is necessary for the safeguarding of international control.

III

The weakness with regard to international law and the conventions regulating the usage of war is the absence of an effective sanction. It would be untrue to say that international law and international conventions lack the support of any sanction. There is, in the first place, the moral support which steadily becomes a greater factor in the world. There is, secondly, the economic sanction which is already not without importance, and which may become much more effective. By the economic sanction is meant the use of unfriendly economic measures by neutral States against a belligerent State which disregards international law and custom. Neutral States, by cutting off or even restricting supplies to a belligerent country may seriously weaken its strength. But neither

moral nor economic considerations furnish a sanction to international law and custom which can be regarded as adequate. So far as international control is concerned, the facts which stand out challenging thought are, first, the refusal of a belligerent Power to recognize the right of a sovereign State to claim investigation by an international commission into the charges brought against it; and, second, the long sequel of glaring violations of international agreements and the threats of action which at least infringe the principles on which rules of conduct for mitigating the sufferings of war are based. It is, therefore, now more than ever apparent that international law and international custom require, if due respect is to be shown to them by belligerents, to have the support of armed force. Until nations or groups of nations are prepared to treat the denial of an international right or the violation of international agreements as a *casus belli*, there is no adequate safeguard against their violation by a strong military power in East or West.

There is here a simple but fundamental question. Force is in itself neither moral nor immoral: it is the use of force which makes it moral or immoral, right or wrong. Those who hold to the doctrine that force should not be used in controlling the action of nations, should hold logically that the use of force is wrong in the relations between individuals. Yet, how many people really believe that the individual should never use force? When an individual sees another person commit an act of murder or theft and takes no step to physically prevent such action or secure its punishment, that individual commits a wrong. There are sins of omission as there are sins of commission. So it is also in the sphere of national and international relations. Nations are capable of committing crimes as well as individuals, and in accordance with moral ideas it is the duty of nations, when they see one nation committing a crime, to prevent it, if necessary by force, from so doing. How many people deny to-day that the use of force in suppressing the slave trade was a moral

duty upon the nations? The truth is that, so far from the use of force on the part of a nation in preventing an international wrong being something immoral, the neglect to use force in such circumstances is immoral, and a nation which refuses to intervene is a delinquent.

There is a second fundamental question. Nations have rights and obligations as well as individuals, and in civilized society the right of any nation to have its case heard before judgement is passed upon it is fundamental. It is so with the individual, he cannot be condemned to punishment without his case being heard. It should be so also with nations, that no nation should be condemned and punished by another nation without its case being heard. As, then, there is this fundamental right of a nation to have its case heard, so there is the duty imposed on every State to submit, when diplomacy has failed, its claim to an international court of inquiry and mediation, and a nation which refuses to submit a dispute to inquiry, if not to arbitration, should have judgement declared against it as plainly as an individual who refuses to appear in court to plead his cause has judgement delivered against him by default. No less also there is the right of nations to receive the protection which the conventions of war enjoin, as there is the obligation of nations to observe them. To deny the validity of such rights is to strike at the root of all international growth, and there is no more sacred duty of society than to protect and maintain the inviolability of these rights. To-day, then, the sanction of force itself is required: first, to secure the right to any State, great or small, of having its case heard before force is used against it by any other State; and second, to secure the observance in war of those rules of international conduct which nations have agreed upon.

In making progress towards such security of international control, the initiative will lie with individual States. Conferences, such as those of the Hague, have a highly valuable purpose. But if effective international control must wait until nations are unanimous in supporting it,

developments will be indefinitely delayed. The history of arbitration shows how greatly progress has depended upon the initiative and courage of individual nations. The future developments of international control will no less depend upon the resolve of certain States to declare themselves ready to support this policy and, if need be, to defend it by force of arms. We have seen that in recent months the British Empire and the United States have agreed to a Commission of Peace. The first question for members of these States to ask is, how far their States, respectively, are prepared to undertake responsibilities on behalf of international control. Are they prepared to assert the right of any nation to have its case heard before force is levied on it? Are they prepared to protest against the violation of international conventions and to uphold the observance of humane principles in the conduct of war? Are they prepared to try how far they can obtain the co-operation of other Powers, great and small, in securing these two things—the right of a nation to have its case heard, and the right of nations to have international conventions for the conduct of war honourably observed? When once a group of nations has formed itself into such an international alliance, the greatest safeguard has been secured for the world's peace and for its progress.

Judicial institutions come before parliamentary, and the world's tribunal may ultimately pave the way to the world's parliament. Meanwhile a court of international authority, if backed by international power, will give to internationalism a reality which it has hitherto never had. It is well to be guarded in our hopes for internationalism, and to recognize very clearly the significance and value of nationality. But true nationality is not incompatible with internationalism. They are rather complementary. And as the nineteenth century saw the renaissance of nationalism, so the twentieth century must see the establishment of an international control which will itself be the safeguard to all nationalities of peaceful self-development.

THE NEUTRALITY OF BELGIUM

THE violation of the neutrality of Belgium has been denounced as an odious crime against international law. If it has thus deeply moved the universal conscience, it is not only because it implies an attack against a friendly nation which has remained constantly aloof from international rivalries, but because it is before all and above all an audacious undertaking against a state of affairs solemnly established and guaranteed by the Powers by means of formal treaties. From this point of view it appears like a subversive undermining of the whole notion of order and law in international relationships.

It may be useful to recall briefly the already distant historical origins and the distinctive characteristics of an international statute the existence of which has always been considered one of the stable elements of European policy and a factor making for a general peace. It is still more important to examine how Belgium has fitted itself into the régime of 'guaranteed neutrality' and to appreciate so from a national point of view the results of an experience which had in view at once the aspirations of an independent people and their reconciliation with the political necessities of the European balance of power.

1. THE ORIGINS AND CHARACTERISTICS OF BELGIAN NEUTRALITY

On November 15, 1831, the delegates of the Powers assembled in London obtained the adhesion of the Belgian Government to the convention known under the name of The Treaty of the Twenty-four Articles. The agreement subordinated the recognition of the new kingdom to the establishment of a special international régime. By the terms of Article 7 'Belgium will form

an independent and perpetually neutral State, she will be bound to observe a like neutrality towards all other States'. Nothing can be more false than to see in the institution of the régime of perpetual neutrality an artificial and fragile creation, the fruit of a passing diplomatic understanding. Under forms assuredly widely different, the fundamental idea which inspires it has always been present in the history of the country. It answers in effect the special requirements of the national life and the traditional function of Belgium in the European political order.

We know how that in the course of the fifteenth century the numerous principalities of the Netherlands united in one great federation placed under the authority of the Dukes of Burgundy. The Burgundian State realized a free political commonwealth quite independent of all unity of language or of race. Situated on the borders of France and of the Empire it appeared like one of those intermediary formations which, from the time of ancient Lotharingia until that of modern Belgium, have survived all political upheavals. The national freedom which developed within the boundaries of this federal State found itself threatened from the sixteenth century. Thereafter annexed to Spain, then to Austria, associated constantly with an international policy which was contrary to their aspirations and to their most essential interests, the Belgian provinces felt grievously the weight of foreign subjection. We are not, therefore, surprised to find again the first outlines of the constitution of modern Belgium in the diplomatic combinations which, looking to the maintenance of the European balance of power, sacrificed completely to this end the primordial interests of the nation. The Treaties of 1709, 1713, and 1715, organized the so-called system of 'the Barrier'. Against the policy of military hegemony pursued by Louis XIV, England and Holland in coalition had taken up the task of 'reconquering the Spanish Netherlands with the view to these provinces serving as

a ditch, or rampart, or barrier to separate and remove France from the United Provinces'.¹ The Treaty granted the Estates General the right of garrisoning certain Belgian towns, but the whole charge of 'the Barrier' thus constituted was imposed on Belgium which, as it was stated, had become 'an instrument of security to the advantage of foreign powers.'²

Despite its vicious organization 'the Barrier' answered a true idea which has survived the destruction of the system. Seeking to establish this idea again on a new base, the Powers, on the morrow of the fall of Napoleon, occupied themselves with reconstituting in the Netherlands an intermediate State sufficiently powerful to resist effectively any return to the offensive on the part of France. To this end England advocated the re-union with Holland of the ancient Spanish provinces. On June 20, 1814, the Act of the Eight Articles, signed at London, provided for the formation of the kingdom of the Netherlands under the sovereignty of the Prince of Orange-Nassau. The Treaty of Vienna of 1815 (Articles 65 seq.) gave definitive form to the constitution of the new kingdom. This new combination could not give happy results because it had not taken into account the deep-rooted incompatibilities which separated the two peoples who were now called upon to unite. Contrariety of character, the struggle of economic interests, the memories of long-standing hostility, differences of religion and of language, all contributed to make impossible the fusion desired by the Powers. The Revolution of 1830, proclaiming the independence of Belgium, destroyed the work of the Treaty of Vienna; it did not, however, end at the same blow the problem of international order which was indissolubly linked with the situation of Belgium.

Past experience had taught the Powers the ephemeral character of all political combinations which did not

¹ Treaty of 7th September, 1701.

² Descamps, *La Neutralité de la Belgique*, p. 71.

accord with the aspirations of the Belgian people. With the evidences of history before them the European Chancelleries recognized that it was impossible to refuse longer the recognition, as a free and independent State, of a nation which, across all the vicissitudes of time, had guarded the heritage of common traditions, of free institutions, and of native culture from generation to generation: a heritage which is the soul itself of the country. But favourable as they were to the demands of the Belgian people, the Powers believed they could mould their international ordinance to secure a type specially suited to the particular situation.

Owing to its capital importance in the general political system the new State seemed like a European institution, the maintenance of which was associated with the traditional policy of the Powers. But the relative weakness of this State did not allow of the hope that it would be always able to defend itself against pressure or entanglements on the part of neighbouring Powers. It was with a very clear perception of the exigencies of this situation that the London Conference, applying an idea which had already been adopted by the Congress of Vienna relative to Switzerland, declared Belgium a State 'perpetually neutral under the guarantee of the Powers'.

Many erroneous opinions have been expressed with regard to institutions of permanent neutrality. 'Neutralization' corresponds, however, to a very definite idea, the significance of which in international relations it is important to define. History shows that there are certain countries, certain geographical zones, which, by virtue of their situation, are in some way predestined to become periodically the theatre of struggles between nations. The subjection of such a country to the exclusive influence of one great Power has always marked a breakdown of the European balance. The idea of placing by treaty these zones as countries outside international conflicts corresponds to a general aim of establishing a régime of

peace on the basis of reciprocal and voluntary restriction of action. Neutralization thus naturally establishes itself on the most sensitive points, on the most vital parts of the international organization. From this point of view it is essentially a factor for peace. It follows that the State which is perpetually neutral has not only its own individual meaning and independent mission; it is an important 'wheel' in general policy. Thus it is that it is affected inevitably, and with extreme sensibility, by all violent upheavals of international life. Every serious attack on the European balance of power affects more or less directly and necessarily the situation of a neutralized State. Every policy of conquest, every struggle for leadership, has for it a personal menace; and the day which saw the crushing of a great European nation at the hands of a military Power, would mark the approaching end of the real independence and purpose of the neutral State.

It is to the honour of British policy, despite its dislike of military intervention on the Continent, to have attached itself faithfully to defending the existence of the independence of small nationalities against all policy of aggression or conquest. Whether against Philip II, Louis XIV, or Napoleon, England has been the soul of all European coalitions. In drawing the sword in the present war, she has protested against the unscrupulous attack of a military Power on the cause of the liberty of small nations; she has remained faithful to a fundamental principle of her international policy.

Having thus defined the historical and general significance of the term 'neutrality' we must examine more closely the rights and obligations which result from this system, both as regards the neutralized State and as regards the Powers which guarantee its neutrality. The permanent neutrality of Belgium imposed on that country the essential obligation of refraining in all cases from taking part in the hostilities between

foreign nations. Accordingly, the attitude of non-intervention, which any State may take in presence of an actual or possible conflict, is considered here an obligation of a permanent character involving a juridical claim. But here, nevertheless, there have arisen certain misunderstandings which must be removed.

Permanent neutrality limits undoubtedly the right of the neutralized State to maintain by force of arms all its political views without distinction. But the notion itself of neutrality is confined to the existence of a conflict between third parties. It has nothing to do with the case of a difference in which the personal interests of the neutral State find themselves directly involved; to decide the case otherwise would be to impose a kind of *diminutio capitis* which would reduce the State to the rôle of a semi-sovereign State. It is hardly necessary to add that the right to make war with the object of legitimate defence, and particularly as against any violation of the nation's neutrality, has always been recognized.¹

It is a little more difficult to determine exactly the right of the neutral State to conclude alliances with a foreign Power. Every alliance has relation to the possibility of an armed conflict. It follows logically from this that the right of the neutral State to contract alliances corresponds very closely to its right of making war. If it is necessary to forbid such a State every alliance which would tend to draw it into an armed conflict between third parties, it is necessary to recognize without hesitation the right of concluding any understanding which should have for its sole end the protection of the nation against foreign aggression. It is obvious that every treaty of offensive alliance is absolutely forbidden to the neutral State. The neutral State, at least as a general proposition, would not be authorized in concluding a defensive treaty of a bilateral or reciprocal character which would

¹ The régime of 'the neutrality of Belgium' is not that of the radical or unarmed neutrality which has been imposed on the Grand Duchy of Luxemburg by the treaty of 11th March, 1867.

impose upon it the obligation of possibly co-operating in the defence of a foreign territory. But on the other hand, nothing in the international statute of the neutral State is opposed to the conclusion of a 'unilateral' or defensive agreement which assures to the neutral State aid and protection against a violation of its neutrality. Like arrangements concluded by the neutral State with one of the Powers guaranteeing its neutrality have their special use. They do not, as has been sometimes said, merely repeat the treaty of guarantee, their object not being to confirm purely and simply the previous engagement, the nature of which has been clearly defined once for all, but to regulate, as regards the details of practical execution, the making good of the guarantees which have been given. Sometimes prudence will lead the neutral State to conclude such an agreement which, far from being incompatible with its position, has as its aim to place it in a better position to effectively fulfil its duties. A recent incident gives to this question a fresh actuality. We know that the German Government, vainly combating an accusation from which nothing could free it, has made play with certain documents discovered in the archives of the Ministries in Brussels, in order to reproach Belgium with having concluded with England a convention irreconcilable with its duties as a neutral State. The Belgian Government immediately disposed of this theory which has been developed in an official communication in the *Norddeutsche Allgemeine Zeitung* of October 13. The mere reading of the documents presented shows the emptiness of the case. For every fair-minded man the evidence proves that Belgium never bound herself to any one by any military convention. In the reported conversations English intervention was there expressly limited to the case of the violation of the neutrality of Belgium by Germany. Moreover, on the question of principle, with which we are here concerned, the official statement contains an interesting admission. It recognizes that Belgium has

the right, in the interests of its own defence, to make with the Powers which guarantee its neutrality such defensive agreement as seems to her suitable in order to assure the effective execution of the promised guarantees.¹

The plan of a Dutch-Belgian alliance had been put forward some years ago by the late M. Beernaert and seemed for a moment to have rallied in Belgium a number of supporters. This plan, the objective of which was the defence of Belgian neutrality considered as of common interest for the two nations, did not raise, from the juridical point of view, any serious objection. Different reasons brought about the check to this combination. But the community of interests of the two neighbouring peoples has none the less been shown in a striking manner by the recent publication of the correspondence exchanged between the English Government and the German Secretary of State for Foreign Affairs with reference to the violation of Belgian neutrality.² In a letter dated August 4, Herr von Jagow declared openly that an annexation of Belgian territory could not be profitable to Germany without at the same time an act of aggrandizement at the expense of Holland. Considered in the light of actual events this declaration contained a definite and direct threat, which the Dutch as intelligent people will know how to profit by.

With the question of the neutrality of Belgium there is closely associated the problem of national defence. Like every independent sovereign State, Belgium owes it to herself to secure by her own means her personal safety. But her condition as a neutral State gives a particular character to the organization of this defence.

We must not indeed forget that this organization

¹ See on this question the important study published recently by M. Van den Heuvel, ministre d'État de Belgique, in *Le Correspondant*, December 1914. See also the reply of Sir Edward Grey to the embarrassed explanations of Herr von Bethmann-Hollweg.—*The Times*, Jan. 27.

² English Blue Book, No. 157.

interests most deeply the neighbouring States, and very specially the Powers guaranteeing Belgian neutrality. But we ought not to conclude from this that the military organization of Belgium could be subjected to the control of foreign Governments. That would be to bring in what is incompatible with the exercise of national sovereignty and what in practice would not fail to provoke the rival Powers. Here again it is well to recall that the Powers have based the international statute of the country on the foundation of a harmony between Belgian and European interests. It is by free organization of her own defence that Belgium is called upon to fulfil the duty toward 'the general interest' which is entrusted to her. As an independent State she ought to devote her forces to the cause of national self-preservation. As a sovereign State she provides freely for her military organization. As a neutral State she takes in times of peace all the precautions which seem to her opportune in order to find herself able to fulfil effectively the duties of her neutrality.

Restricted as a neutral country by various obligations, Belgium in return has an absolute right to the respect of her neutrality. This respect is specifically assured her by the stipulation of the guarantee. Inserted in the preliminaries of the Conference of London, June 26, 1831 (Treaty of the Eighteen Articles), renewed on November 15 following in the Treaty of the Twenty-four Articles, this stipulation found its definite formula in the Treaty of Peace of April 19, 1839, signed between Belgium and each of the five Great Powers.

By the terms of this Treaty the courts of Austria, Great Britain, France, Prussia, and Russia guaranteed to His Majesty the King of the Belgians the execution of all articles contained in the Dutch-Belgian Treaty, especially Article 7, which recognized Belgium as an 'independent and perpetually neutral' State. It is generally admitted that the guarantee of neutrality

applies without possible question to the integrity and inviolability of Belgian territory.¹ The guaranteeing clause reveals very plainly the preoccupations which guided the Powers in the elaboration of the international constitution of Belgium. In providing the complement of such a system it makes clearer its essential idea. It was impossible to demand of Belgium that she should undertake with her own sole resources the great public rôle which was devolved upon her. In placing under their individual and collective protection the maintenance of Belgian neutrality, the Powers solemnly engaged to lend their strength of arms to the defence of an institution which they considered to be bound up with the maintenance of European order.

On August 2, 1914, Germany summoned Belgium to place herself at her side in yielding a free passage to her armies directed against France. In acting in this way Germany invited Belgium to infringe not only the stipulations of a treaty which Germany herself had guaranteed to carry out faithfully, but also the principle adopted by the Convention of the Hague of October 18, 1907, which forbade the movement of troops or of convoys either of munitions of war or of supplies across the territory of neutrals (Articles 2 and 5). It is because she refused to lend herself to this cynically avowed violation of the sanctity of contract and of international law that Belgium has been delivered to the unspeakable horrors of an inexpiable war.

2. THE PRACTICE OF GUARANTEED NEUTRALITY

During more than eighty years Belgium has enjoyed, under the régime of guaranteed neutrality, a profound peace which had brought her national prosperity to its

¹ A contrary opinion has been expressed by M. Nys, but the textual argument which he has brought forward has been rightly attacked by all writers. (See especially J. Westlake, 'Notes on Neutrality', *Revue de Droit international et de Législation Comparée*, 1901; also Descamps, *La Neutralité Belge*, p. 533.)

highest point. At the hour when the violation of this neutrality seems to have ruined the work so faithfully built up, two questions present themselves naturally to one's mind. First, how and in what measure institutions of neutrality have responded to the aspirations of the national spirit? Secondly, how has Belgium regarded the fundamental question of the defence of her neutrality?

NEUTRALITY AND NATIONAL SPIRIT

Belgium is essentially the product of her historic antecedents. There is a Belgian nationality as there is a Swiss nationality. Its foundation lies neither in unity of race nor in unity of language. Flemings who are German in stock and in language live side by side with Walloons who are of Celtic origin and of Roman tongue; and at first sight nothing seems more complex than the formation and the persistence of a common national sentiment amongst elements so diverse. It is a fact well worthy of remark that in the course of centuries the antagonisms of race or of language have never exercised the slightest influence on the destinies of the Belgian provinces. On the contrary it is agreed that the political or ecclesiastical divisions were regularly established with disregard of ethnical or linguistic differentiations, and this fact has contributed largely to the development in the circle of provincial life of a cohesion which has showed itself more and more clearly across the centuries up to the day when it could freely expand in the larger sphere of national life.

In order to take account of the formation of this national unity, it is necessary to recall the preponderating influence exercised over the destiny of these peoples by the identity of the conditions of social life. It is by this factor, the influence of which has been so long under-estimated, that we must explain, at least in large measure, the unity of the history of the Belgian provinces and

the deep-seated distinctive character of the national temperament.¹

Situated on the borders of France and of the Empire, on the line of cleavage of the Roman and Germanic languages, and, as it were, at the meeting-point of two great civilizations, the Netherlands of the south have been from all time destined as a middle country playing the rôle of an intermediary in the development of Western culture. The Belgian provinces became thus a chosen land for the fusion of races and the exchange of ideas. It is in fulfilling the discharge of this singularly high and fruitful function that the Belgian provinces formed this union of independent traditions and of common culture which is the foundation of their national unity. It is enough to recall that they owe to this intermingling of different influences the most beautiful productions of their art.

Belgium is, then, both by its ethnical and its linguistic constitution, as by its historical traditions, a nation widely open and accessible to external ideas. Yet this very circumstance allows her to maintain a happy equilibrium and to resist by spontaneous reaction any over-strong attraction or pressure from without.

Open and hospitable to citizens of other States, the Belgian nation is also eminently peace-loving. It is so, consciously and of set purpose, arising from a clear perception of the international situation of Belgium as well as from sad experience to which her history bears full testimony. It is in this sphere of peace-making relations between States that Belgium feels herself called to fulfil her proper mission, not only indeed as an inert instrument in the hands of the Powers, but by taking upon herself in international life the mediatorial rôle which is her natural vocation. Let one think only on the many enterprises undertaken by Belgium in this sphere. Is not Brussels the

¹ We limit ourselves here to summarizing the theme developed by M. Pirenne, Professor at the University of Ghent, in his well-known work, *The History of Belgium*, vols. i-iv.

seat of a number of these international organizations which, despite the disillusionment of the present hour, must work for the mutual understanding of peoples? We recognize, then, readily the ease with which Belgium has been able to adapt herself to the régime of neutrality. If in 1831 the international constitution of Belgium raised in the minds of the National Congress very vigorous criticisms, which came for the most part from a false idea of the duties of neutrality, the happy results of an experiment now long established had inspired in the great majority of Belgians a deep attachment to their international status.

We would, however, be strangely deceiving ourselves if we thought the impartiality laid upon Belgium in international questions had reduced her to a humble and timid policy in which her pacific mission has restricted her to a rôle of subordination bordering on effacement. In all European crises the Belgian Government has known how to observe properly the national point of view, and how to maintain the independence of its policy against the pressure brought upon it. In many cases the firmness of its attitude has won for it a respectful homage from foreign parliaments. We know that certain publicists representing German political thought have long directed their efforts to throwing discredit on small European nationalities. Already in 1868 Professor Lasson, in a work which was re-edited some years ago,¹ refused to see any elevation and any moral grandeur in the patriotic sentiment which unites the citizens of small States.

We have here a theme which veils in a particularly odious form the gross culture of brute force, and against which the history of Belgium rises in protest. Let us for a moment follow the development of public opinion in Belgium since the constitution of the kingdom. It is characterized by the progressive and very marked expansion of the national conscience. The generation which saw the Revolution of 1830 had devoted all its energies to the work of the restoration

¹ *Das Kulturideal und der Krieg*, von Adolf Lasson.

of the country. It was in the era of internal organization and of experimentation from the point of view of international affairs—a period of silent but fruitful labour in which the nation, thrown back in a sense upon itself, devoted its whole energy to the accomplishment of its daily task. A spirit of prudence not free from a certain timidity, a fear, at times excessive, of undertaking too heavy responsibilities, tended often to remove the men of this generation from wider enterprises and leave them apart from the greater manifestations of national life.

With the reign of Leopold II gradually there reveals itself a very notable change in the orientation of the public mind. The enormous development of national industries created new needs. Taking better stock of its material resources, the nation, more confident, more sure of itself, felt awakening within it a movement of international expansion. A characteristic manifestation of this reawakening is seen in the attitude of public opinion with regard to the colonial policy of Leopold II. For a long time the gigantic enterprise carried through by the sovereign of the Congo met in Belgium with the hostility of public opinion. Then a radical change took place, much less due to the dominating personality of the King than to the undeniable greatness of his work. Belgium, travelling along new roads which the previous generation had hardly assayed, has felt her native energies strengthened. Accustoming herself to look more often beyond her own frontiers, she has gained a fuller sense of her national unity.

It may seem strange to find this enlargement of national feeling coinciding with the movement of narrow particularism which has given birth to the quarrel between Flemings and Walloons. Certainly we must recognize that this conflict had taken in latter years a character of regrettable bitterness. On the one side and on the other a troublesome spirit of intolerance seemed to oppose any amicable solution; but we would entirely misunderstand the situation in giving to these quarrels the significance of an

antagonism of races threatening the existence of national unity. Above all, it is necessary to guard against the belief that the action of the Pan-German movement, which undoubtedly seemed to favour secretly these dissensions, ever altered in the mass of the people the purity of their national feeling. The demands of the extremists on both sides, be it noted, were not the expression of popular feeling, which repudiated them instinctively. They found their interpreters in a daring minority of intellectuals, or pseudo-intellectuals, who were animated by a spirit of exclusion, and whose propaganda found its chief support in a shortsighted equalitarianism or in the ranks of political dissension. It is from this propaganda that there sprang the nefarious idea of an administrative separation between the two parts of the country. The proposal was rejected immediately by an overwhelming majority of Belgians.

But yesterday burning, these dissensions seem to-day far distant. In the movement of indignation which has aroused Belgium against invasion, where are Flemings and Walloons? Has not the same spirit animated all? Brothers whom some thought to separate by distinct regiments, they have battled shoulder to shoulder, have fallen for the same cause, immortal witnesses of the indefeasible unity of the Fatherland.

THE DEFENCE OF NEUTRALITY

Since 1831 Belgium has seen a succession, sometimes at short intervals, of many Governments animated with very different views. The struggle of parties, very acute in this country, where political life has always been intense, often shows itself in Parliament with singular bitterness. It reveals there profound differences over a series of questions touching the fundamental principles of our home policy. But it is a fact indeed remarkable that never have these differences questioned the international constitution of the country. The maintenance of neutrality has always

been the corner-stone of Belgian foreign policy, which has in this respect a quite traditional continuity of view. No matter to what party Belgian statesmen belonged, they have remained scrupulously faithful to the principle proclaimed in 1840 by Leopold I: 'We cannot be too strongly convinced that neutrality is the true end of our policy. To keep it sincere, loyal and strong ought to be the constant object of our efforts.'

The protection of Belgian neutrality is twofold. It is assured both by the organization of the native resources of the country and by the safeguard of the guarantees.

The guarantee assures a definitely active protection to a legal relationship of clearly defined obligation. Placed under the good faith of treaties, the guarantee of neutrality ought necessarily to be considered by Belgium as a pledge of peace and of security. In effect, however, it is no less true that the real value of the guarantee is far from being the same in all circumstances. It undergoes the oscillations of European policy and is consequently subject to more or less sensible fluctuations. So long as the relative positions of the 'political constellation' do not lead one to consider the possibility of a conflict, save under the form of a war limited to two Powers, the existence of the guarantee offers a 'preventive' value of the first order. The threat of intervention of a third and impartial Power will almost always turn the belligerents from a violation of neutrality. But the situation changes completely its aspect when all the guaranteeing Powers seem to find themselves implicated in a vast European conflagration. In this case the guarantee loses its preventive efficiency, the risks of a general war being freely taken by each of the Powers grouped in a system of alliances.

The history of Belgian neutrality confirms in a striking manner the correctness of this view of looking at the question. It may be recalled that in 1870 on the morrow of the Franco-German War the neutrality of Belgium was safeguarded in the most happy fashion by the action of

the guarantees. With the object of alienating from France the sympathies of the neutral nations, and especially that of England, Bismarck had published on July 25 the famous Benedetti Agreement—a secret convention concluded between Napoleon III and the Prussian Government, which betrayed the Emperor's ambitions on Belgium. This publication roused public opinion in England, and from July 25 to August 2 it provoked impressive debates in Parliament. Making himself the interpreter of public feeling, Disraeli recalled that the Treaties on which are based the independence and neutrality of Belgium, 'have been concluded in the general interest of Europe and also with a very clear idea of the importance of their arrangements for England'. 'It is a fundamental principle of the policy of this country,' he said, 'that the country situated along the coasts of Dunkirk to the North Sea Islands should be possessed by free and prosperous States practising the arts of peace, . . . in order that these countries should not belong to a great military Power. The Government has the duty to declare that England will maintain the engagements which she has assumed, and will protect thereby the right and independence of nations.' It is in conformity with these clear and just declarations that the English Government proposed to France and to Prussia to regulate the guarantee in the sense of co-operation between the English forces with the forces of one of the belligerents against the other in case of the violation by the latter of the neutrality of Belgium. This proposal was accepted on both sides, and the arrangement was laid down in the formal Treaties dated August 9 and 11, 1870. It is known that this assured Belgium the respect of her neutrality throughout this war.

Since 1871 the general political situation of Europe has undergone deep modifications. Henceforward it is marked by the increasing development of the policy of alliances. Looking always to the isolation of France, Bismarck had succeeded in 1882 in establishing the Triple Alliance. It

is only in 1891 and during the years following that France, with an idea otherwise purely defensive, was able to oppose to this combination the system of the Dual Alliance which assured her the support of Russia. It would perhaps be an exaggeration to attribute exclusively to the system of alliances the diplomatic tension which has caused for twenty years so much uneasiness in Europe. But one cannot deny that the successive adhesion of European Powers to the rival coalitions has singularly multiplied the chances of a conflict, each one of the partners imposing on its group the defence of new interests. The formidable increase of armaments was itself the sign in advance of a general conflagration.

Steadfastly faithful to her policy of absolute neutrality, Belgium had followed, not without apprehension, the development of this policy which brought step by step into this movement the guarantors of her neutrality. Between the Triple and the Dual Alliance England for a long time maintained the attitude of impartiality. In 1904, however, the policy of 'splendid isolation' on the part of England ended. Rising above the traditional repugnance of her insular policy, in face of the German menace, she settled with France old-standing differences by those agreements which laid the foundations of the Entente Cordiale. The Anglo-French Agreement, which in the words of M. Deschanel 'was the expression of a new international situation', had been tightened steadily during the course of these last ten years. It showed itself clearly in the course of the Moroccan crises of 1905 and 1911. Thanks to the efforts of French diplomacy, it found its natural complement in the Anglo-Russian Agreement concluded in 1907.

In Belgium public opinion had some difficulty in realizing that the conclusion of the Entente Cordiale formed the necessary counterpoise to the over-powerful Pan-Germanism. Resolved to observe towards all the most rigorous impartiality, she saw with anxiety that

Power which she had been so long accustomed to consider as the strongest support of her neutrality entering one of the rival camps. In the rumours of war which rose from all sides Belgium feared that she might no longer hear the disinterested and just voice which in 1870 had raised itself for the protection of her rights. On different occasions certain organs of the Belgian press expressed these apprehensions, which it is well to recall to-day in order to show the absolute sincerity of Belgium in the defence of her neutrality.

Let the fact, however, be well observed ; all was not imaginary in these alarms. They came rather in part from a certain failure to comprehend the absolute necessity of the Triple Entente in the new conditions imposed in Europe by the military hegemony of Germany. But it was only too true that the threat of a general conflict involved the risk of one day destroying the ' preventive ' value of the guarantee. In planning the war which should crush for ever the power of France and destroy the conditions of the European balance of power, Germany could not reasonably count upon the neutrality of England. The blind and brutal policy of Germany was, moreover, pushing her to put an end to the long rivalry by force of arms. From this moment the fear of English intervention could no longer counterbalance, in the opinion of her rulers, the military advantages which they believed they would get by the violation of Belgian territory.

The neutrality of Belgium not being an unarmed neutrality, the guarantee must be considered as a means of auxiliary protection which strengthens the national defence but which does not do away with its necessity. Belgium trusts the safeguarding of this defence at once to her diplomacy and to her military organization.

It is a particularly heavy task which is entrusted to the diplomacy of a neutral State, and one cannot too strongly combat the opinion which considers that diplomacy as

of secondary importance or which limits its rôle to the protection of the commercial policy of the country. Placed between the different guarantors, all of whom owe her an equal protection, limited by her international constitution to the most complete impartiality, Belgium has had to maintain with each of the Powers relations which ought to be cordial, while they must be free from all dependence. She has constantly to keep the necessary touch with the various Chancelleries so as to obtain support, in time of need, without ever at the same time allowing herself to be drawn into compromising negotiations. The representatives of Belgium had thus the duty of being on guard against inopportune pressure or solicitation. Bound to communicate to their Government the information which they receive, they yet have the duty to appreciate the objective bearing of this information in freeing it from the particular influences of the source from which it is derived. It is a task extremely delicate, which demands of those who have the charge of it rare qualities of tact, prudence, and firmness.

But that is not all. In no democratic countries can an international attitude be maintained without the support of public opinion. This support has never been refused to the Belgian Government in the general conduct of its foreign policy. One cannot deny, however, that the régime of neutrality may have contributed in some measure to developing in Belgium a state of public opinion little favourable to a wise understanding of international questions. In large States which regulate their foreign relations with complete independence, opinion follows with ease and instinctively the disposition and development of an international policy which is clearly defined and often altogether traditional. In Belgium, it must be recognized that the somewhat narrow preoccupations of home politics have too long turned public attention from the international situation of the country. This state of public opinion is in particular explained by the fundamentally

pacific disposition of the Belgian people, who, living in friendship with all their neighbours, and strong in their neutrality, have kept themselves resolutely apart from international contention. Perhaps they had failed to realize that the anxiety to be impartial is not incompatible with a vigorous clear-sightedness. The Government, informed by its diplomatic agents or by friendly Powers, was without doubt in a better position ; but the obligation of sparing jealous susceptibilities imposed on it a reserve which did not always allow it to set out before public opinion with all its desirable precision the actual conditions of the international situation.

It is, however, the consideration of the military organization of Belgium which in the actual circumstances claims above all attention. A country ought to have an army suited to its policy. As a neutral State, Belgium ought to be ready to defend by arms her neutrality.

The military organization of the country, it is right to recall, has always been the object of the care of her sovereigns, who have devoted themselves with unwearied tenacity and patience to adapting it to the increasing necessities of national defence. In order to reach their end they have had, on more than one occasion, to overcome the opposition of public feeling. An industrious and pacific people, Belgians have long found it hard to resign themselves to sacrifices of which they did not always see the absolute necessity. Gradually, however, the anti-militarist spirit, formerly very strong, especially in the agricultural classes, had lost ground and given place to a new feeling which allowed the Government to realize by successive steps the necessary reforms. For several years the fortifications of Antwerp had been no longer equal to the needs of modern war. Their improvement, checked in 1900, was undertaken by the Cabinet of Smet de Naeyer. But the decisive step was effected some years later. On December 14, 1909, King Leopold on his death-bed signed the new Recruiting Law, the passing of which by the

Parliament realized one of his dearest desires. This law replaced the old system of the 'ballot' and of 'substitution by payment', by the principle of personal service limited to one son per family.

Meanwhile the threats of conflict grew more and more definite day by day. The Agadir crisis had led Europe to the brink of war. The support given by England to France on this particularly serious occasion no longer left any doubt of the practical value of the Entente Cordiale. About the same time the published letters of General Langlois and the book of General Maitrot made clearer the German military plan of invasion already sketched elsewhere in the too-well-known publications of Von Bernhardt. In Germany the bold propaganda of the powerful military leagues developed daily the programme of warlike armaments.

These events made themselves deeply felt in Belgium.¹ At the opening of the legislative session of 1912, M. de Broqueville explained to Parliament the new situation in the country arising out of the extension of alliances and the development of military armaments. He insisted on the possibility of a general conflagration in which all the guaranteeing Powers would find themselves one by one automatically dragged into the struggle. 'This country', he said, 'ought to take steps to defend its own territory from every belligerent who should wish to use it as a base of operations or as a line of communications.' At the same time the Government put forward a new legislative proposal introducing the principle of universal compulsory service.

Without being able to measure the whole extent of the danger, the country felt in a confused way the threat which weighed upon it. The law was voted by the Chamber

¹ The fears born of this state of things in Belgium even gave rise in April 1913, to an exchange of views in the Budget Commission of the Reichstag. Herr von Jagow, Secretary of State for Foreign Affairs, there declared officially that 'the neutrality of Belgium was an international agreement which Germany would take care to respect'.

in the month of June 1913. With regard to the raising of the effectives, while allowing a number of exemptions or dispensations, the law provided that the number of men called upon for service could not in any case be less than 49 per cent. of the annual contingent. The reform, the complete results of which could not be reached until after several years, was to give to Belgium an army, on war footing, of 340,000 men, of which 180,000 would be the field army and 160,000 for the defence of the fortified positions of Antwerp, Liège, and Namur. Despite this raising of the number of effectives, the former length of service, namely, fifteen, twenty-one, and twenty-four months, was vigorously defended by the Government and was maintained in the new law.

In the official *exposé des motifs* in which he stated the reasons which guided him, M. de Broqueville had indicated the general object of this military reorganization. 'What we must aim at', he said, 'is that the enemy, should he be tempted to invade our territory, will throw himself against such a resistance as will compromise his plan of campaign.' Invasion has surprised Belgium in a moment when the great effort agreed to by the country had not been able to produce its full results. Nevertheless, one may say up to now that the valiant resistance of the Belgian army in breaking the rush of the German masses has attained the end which was assigned to it—namely it has ruined the enemy's plan of campaign.

'The credit of a country', Amiel has said, 'depends on the honour which she observes towards her engagements, her signature, her name.' At the time when we write these lines Belgium carries the full weight of an implacable war. Delivered to the mercy of the enemy who occupies her territory, she sees with each day that passes disasters and ruins accumulating. Nothing has been spared of that which was her splendour and her pride. But history

will maintain for ever the memory of the manly resolve which has grouped the people of Belgium around their King in that hour when the country saw hanging over her calm provinces the gigantic spectre of the German invasion. History will say that this people, at the price of a sacrifice which it even refused to measure, 'has brought honour to its name'.

Restored to independence, it will be long before Belgium is again the country of plenty and of far-famed prosperity. But there will remain for her always the highest honour of having incarnated before Europe in arms the everlasting cause of right and liberty.

CH. DE VISSCHER.

AUSTRALIA AND THE WAR

VAST open spaces, a prodigal wealth of sunshine, a winter too mild to be bracing, and the relative ease of the struggle for existence, go to the making of the Australian environment. The influence of this environment serves to obscure some traits of racial origin while it develops others. We are, superficially at least, a sun-basking, sports-pursuing, and pleasure-loving people. Anxious to live and let live, to pass through life with a minimum of friction, we display more of pagan desire to have a good time, and less of reverence for the eternal verities, than are usually credited to British character. We may, in a tranquil hour, concede the beauty of goodness, but it is not 'the awful beauty' of which Milton sang. The goodness we honour in deeds is something less austere and more practical—a camaraderie which finds most apparent expression in an aversion from giving pain and a desire to please. The ethic may seem inglorious, but it has its merits. On the whole, it has worked not badly, though of course that may be due to the blood of a Puritan ancestry which still flows in our veins. In any case, the ethic springs naturally from a kindly environment. The strenuous struggle of the pioneer days is past. Dread drought we know, but we have learned to mitigate the distress which used to accompany it. The grim tragedies of Poverty and War have figured in the popular imagination as ills of an older civilization from which we may justly hope to be immune. 'Give peace in our time, O Lord', is a prayer not unknown, but usually uttered in time past with an altruistic regard for peoples less fortunate than ourselves.

The present war came as a rude challenge to some cherished assumptions. Even now that momentous

months have passed, we are only beginning to realize where we are. Hence a superficial calm masking an inner turmoil of feeling and opinion. I saw one of the first Australian Expeditionary Forces march through densely crowded streets. There was scarcely a cheer. Though patriotic pride and sympathy were not wanting, their expression was checked by a baffled perplexity of mind natural to men in the presence of incredible events. True, we have contributed on various occasions to the fighting forces of the Empire, but the circumstances from our point of view were essentially different. To-day, as the Minister of Defence remarked in a debate in the Federal Parliament, Australia is attacked on the northern rivers of France. As the fact comes home to us, its recognition is marked by the assertion of innate fighting qualities which seemed to have been discarded. We discover that, like the parent stock from which we spring, if we are not eager for a quarrel, we are at least not incapable of suppressed exhilaration when once a quarrel is begun, or of a grim resolution to fight to a finish. The emergence of the fighting instinct has been less difficult for a reason which might seem irrelevant to an alien race. It is not for naught that the Australian is a sports-loving and sports-indulging being. Through this agency, as much as any other, the really essential qualities of the fighter have been nurtured in the halcyon generations of peace.

The temper of the people is reflected in the motives which induce men to volunteer for service abroad. The instinct of self-defence is relatively unimportant. As I have already indicated, we are only beginning to realize the extent to which the fate of our national institutions and purposes is involved in the war. One reason which tells against this realization is the conviction that the British Navy is invincible. More important than the instinct of self-defence is the love of adventure natural

in a youthful people accustomed to wander in the free and open spaces of the earth. Still more important is a deep resentment against Germany for its outrage on Belgium. That outrage offends our moral sense for many reasons, but most of all for its gross and inexpiable cruelty. The ideas of Nietzsche have never appealed to us. They now appear as the symptoms of a national degeneracy none the less real because expressing itself in the apotheosis of force. The resentment aroused by atrocities in Belgium is further intensified by the cynical disregard of international law which Germany displays in the general conduct of the campaign—a disregard which is peculiarly hateful to a people whose sporting instincts predispose them to an almost religious regard for the rules of the game. Finally, we are affected by a consciousness of Imperial kinship and a very real, if sentimental, affection for the flag. The English tradition of the inevitableness of an Anglo-German conflict, once regarded with easy tolerance as something either based on inadequate data, or else relating to contingencies of a remote future, is now justified by the irresistible logic of events. The necessity for a reorientation of ideas, if painful, is at least apparent. The division of parties and the conflicts in the fields of industry, are relegated to the background in the presence of a passion to maintain the honour and traditions of the flag. His Majesty's Australian squadron has been placed at the absolute disposal of the English Admiralty; a first Expeditionary Force of 20,000 has been sent to the front to be equipped and maintained by the Australian taxpayer; a second Expeditionary Force is on the eve of departure, and every class of the community is actively engaged in work of one kind or another with a view to increasing the number, the efficiency, the security, or comfort of our troops. Patriotic funds, Red Cross funds, Belgian Relief funds, and the like, inspire an unprecedented enthusiasm, and serve to unite the most incongruous elements of our social life.

If need be, Australia can increase her contribution to the fighting line until she has an army of 100,000 men for service in the battle-fields of Europe. In a contest where armed hosts are counted by millions, this contribution may appear negligible. If it does not appear so to us, that is not merely because we believe in the pluck, endurance, initiative, and resource of our troops. We believe that Great Britain, who needs must bear the giant's burden, will be the stronger for the assurance that we are not insensible either to past obligations or to the community of present interests and purposes. We hope that the people of Germany will revise their views as to the worthiness of an 'Imperial tyranny' which is so supported in the hour when Imperial and Colonial relations are tested in the crucible of adverse circumstances. Further, we hope that the world of neutral nations will not be blind to the significance of the efforts Australia is making, and the still greater efforts she is prepared to make, rather than risk an exchange of the Union Jack for the Eagles of the Hohenzollern. No pen of man could have written a justification of the British sway so convincing as the spontaneous rally of His Majesty's subjects from the Dominions beyond the seas. Great Britain has made us free; she finds us loyal.

Australia has a large German population. In one of the States, every seventh citizen is of German origin. The Germans have proved admirable colonists—peace-loving, law-abiding, and industrious. If less resourceful and adventurous than the Anglo-Saxon, they have nevertheless contributed invaluable elements, social, economic, and aesthetic, to the nascent national life in which they are becoming merged. Their position in the present war is one of peculiar difficulty. Logically, in becoming naturalized Australians, they are pledged to share in those responsibilities which are the counterpart of the privileges they enjoy. On the other hand, they retain the German

affection for the Fatherland. They cherish, naturally, the German tongue. They are proud of the imperishable achievements of Germany in the world of art, culture, and industry. Despite this conflict between reason and the pride of race, there is no evidence to suggest that the Germans desire to exchange their present allegiance. They are Germans who have never been Prussianized; they have learned to appreciate the freedom which they have enjoyed under the protection of Great Britain, and they are very unlikely to be attracted by the bureaucratic despotism of Germany. I speak of the great majority. Though exceptions exist, they are too few and unimportant to constitute any serious danger.

THE FEDERAL ELECTION

I have referred in very general terms to the way in which the war appeals to the mind of the Australian citizen. I wish now to consider the trend of domestic events. The most important political event since the outbreak of the war was the contest between Liberal and Labour Parties at the September election for the Legislature of the Commonwealth. The results of the elections came as a surprise to many. The Labour Party had urged for a postponement, on the ground that the moment was not a propitious one for securing an impartial settlement of the many questions at issue between the two parties. The Liberals, who were in office, alleged the existence of grave constitutional difficulties in the way of postponement, and decided that the election should take place on the date previously fixed. Probably both parties were influenced, in the adoption of their respective attitudes, by the belief that the holding of a general election at such a time would favour the Liberal chances. Apart from the force in the ancient proverb as to the danger of exchanging horses while crossing a stream, the fact that for motives of sentiment or policy the Liberals

have been the more active in seeking to maintain and strengthen the Imperial bond, seemed to justify an expectation that the Liberal Party would receive an accession of votes at a time when the need for Imperial protection was urgent. The expectation was falsified by the course of events. The Labour Party were returned in an increased strength to the Lower House, and the Liberal Ministry had no alternative but to resign responsibilities which, at any rate so far as they related to the war, had been discharged with conspicuous ability and zeal. The explanation appears to be twofold. In the first place, the Labour electorate take the exercise of the franchise much more seriously than the Liberal electorate. Even the disturbing element of war did not quench their enthusiasm, or weaken their organization. In the second place, Labour leaders were able to make legitimate capital out of the scheme of compulsory service for which the last Labour administration had been responsible. Further, Labour leaders declared that the duty to support the Mother Country in the present war, 'to the last man and the last shilling', was too clear and imperative to admit of debate. The declaration was supported by the rank and file of the party. In the net result, the effect of the war on the elections may be said to have been negligible. Up to the present, there has been little or no justification for the traditional association of militancy with the politics of Conservatism.

TRADE AND INDUSTRY

The remoteness of Australia from the main area of conflict, the protection afforded by the navy to our shores and our overseas commerce, and the fact that the economic well-being of Australia is mainly dependent upon the production of such raw materials as wheat and wool, have combined to mitigate the disturbing influences of war upon our trade, commerce, and industry. There has

been no financial panic. The consequences of the War have been felt most in the wool and mining industries, where we have lost the German buyer. In other industries and trades, we have suffered from the tightening of credit and a falling demand by local consumers. On the whole, however, we suffer to-day less from the war than from a stubborn drought which has destroyed the wheat harvest over vast areas, has inflicted severe losses on the pastoral industries, and even threatened the water supply of some of our cities. While there is no reason to question the financial stability of the Commonwealth, its resources, or its credit, the problem of tiding over the existing situation has presented peculiar difficulties. At a time when circumstances would justify a liberal policy of borrowing for the purpose of investment in reproductive works which would relieve local distress and unemployment, we have been confronted by the increased difficulty of borrowing money in the usual markets. A steadying influence has been exercised by Moratorium Bills of limited application, and by the appointment of public commissions which supervise and control prices. In early November, the Commonwealth and the States entered into an agreement under which the Commonwealth was pledged to secure £18,000,000 as a loan to the States. Where the £18,000,000 was to be obtained was discreetly veiled from the gaze of an inquisitive public. The general impression was that the Imperial Government would be asked to assist in the flotation of the loan. The impression has been confirmed. On November 16, Mr. Asquith announced to the House of Commons that £30,250,000 would be lent by the Imperial Government to the Colonies, thus obviating the necessity for their coming into the London market.

It is early to speak of the effects which the war may have on the drift of Australian politics. Yet, if we assume that the Allies are successful in their resistance

to aggression, some effects are at once so probable and so related to the trend of Australian politics in the past, that they call for a brief indication. I shall limit my remarks to the following subjects :

1. Compulsory military service.
2. The division of powers between the Commonwealth and the States.
3. The problem of monopoly control.
4. The White Australia policy.
5. The relations of Australia to the Mother Country.

1. Compulsory Military Service

Compulsory military service, the triumph of a Labour administration, was regarded generally as a corollary of the policy of a White Australia. That policy, though national, had appealed most strongly to the workers, who believed that the free immigration of the Asiatic must prove fatal to the progressive amelioration of labour conditions. The war has brought new factors into operation. If it has crushed opposition to the scheme of local defence, and put apathy to shame, the chief reason is the object-lesson which Germany has given to the world by her invasion and devastation of Belgium. Belgium may receive an indemnity ; but in the meanwhile she lies bleeding at the feet of lawless force. We are unlikely to forget the fact, or to repose as much confidence as we have been wont to do in the restraining power of moral ideas, diplomatic agreement, and international opinion. It is of course possible that the war may inaugurate a new era of international arbitration. That, however, is doubtful. In the meanwhile, the conviction grows that the manhood of a nation must be prepared to defend that which it holds. On the whole, we may conclude that Australian policy, as regards both military and naval defence, will be confirmed and strengthened by the war. I express this conclusion with the more confidence because I believe that for some time

past there has been throughout the community a growing recognition of the value of the discipline of military service as an agency in the making of national character. It may be that the youth of the nation should learn the virtues of restraint and obedience through other agencies. As a matter of fact, they do not; and the average Australian parent, however indulgent he may be in controlling and in judging his own offspring, is not blind to the demerits of the offspring of his neighbour.

2. Commonwealth and States

The most acute controversy in Australian politics during the last decade has centred round the question of the distribution of powers between the Commonwealth and the States. The Liberal Party has been the champion of State rights. The Labour Party has fought for centralization. The attitude of the parties may surprise those who credit the workers with a special endowment of democratic spirit, and who recognize the increased difficulty of realizing self-government as the territorial ambit of a political authority expands. But, while the Labour Party professes democracy, its immediate objective has been economic rather than political. It has been more concerned to carry out its industrial programme than to maintain the spirit of democratic institutions. In its endeavour to carry out this programme within the several States, it has been blocked by the opposition of State Upper Houses. In the Federal Senate, on the other hand, the Labour Party commands an overwhelming majority. Further, the accidental circumstance that the office of the President of the Commonwealth Conciliation and Arbitration Court has been occupied by a judge whom the workers regard as sympathetic and the employers regard as partial, has afforded to the Labour Party an additional motive for advocating an extension of the ambit of Commonwealth authority. While, up to the present, the party has failed to secure the popular majorities

which are required for amendments of the Commonwealth Constitution, it has made a marked advance in this direction. If one may judge from the results of the last Federal elections, there is reason to suppose that a number of important functions which have hitherto been discharged by the State will soon be transferred to the Commonwealth. I believe that the war is likely to accelerate this tendency towards centralization. Claims to local autonomy will appear in the unenviable light of parochialism ; and the political party with the more definitely national programme will find a new support in the growing consciousness of common needs and purposes. Any circumstance which strengthens Australian national sentiment tells for centralization—possibly for a greater degree of centralization than is consistent with the just claims to self-development and self-government of the constituent States. While any one of a number of circumstances may serve to counteract the centripetal forces generated by the war, the existence of such forces appears to me indisputable.

3. The problem of monopoly control

The tendency to expand the sphere of public ownership and control has been more marked in Australia than in other countries. The effect of the war on this tendency is problematical. The peculiar situation and circumstances of Australia, however, warrant the belief that the war will not have that retarding influence which is predicted in some European countries. Our remoteness from the area of conflict, the wealth of our material resources when viewed in relation to our population, and the democratic character of our institutions, combine to suggest that the conclusion of the war will be soon followed by a return to normal conditions. In some respects, the effects of the war may serve to accelerate pre-existing legislative tendencies. Although the industrial disturbances resulting from the war, combined with the drought, have greatly increased

the number of the unemployed, and although this acts for the time being as a restraining influence upon the demand of labour for increased wages and shorter hours, work for the unemployed must be found. The responsibility to find work falls primarily on public authorities. While the forms of work so provided may not involve competition with private industry, they necessarily increase the number of workers who look to the State for employment. The reabsorption of this class in the ranks of private industry, though it may take place to some extent, will be impeded by world conditions restricting the supply of capital. More especially when we come to the relation of the State to the Trust, it is impossible to ignore the object-lesson which present experience affords of possible methods of Trust control. That the Trust is mainly responsible for the increased cost of living is one of the cardinal data of Labour politics. While both Labour and Liberal Parties affirm the inadequacy of existing legislation, Federal or State, they differ widely on the question of the remedies. The Liberal objective is the preservation or restoration of the competitive régime qualified by legislation for moralizing competition. The Labour Party is less concerned to prevent monopolies from being established than to secure their nationalization when once they are established. Neither party can be said to have evolved a comprehensive scheme of Trust control adapted to the varying conditions of different industries. Such a scheme must begin with a frank recognition both of the *value* and of the *limitations* of the policy of prevention. Much may be done to preserve conditions of healthy competition. But there are some industries where monopoly must be regarded as inevitable. In such industries the practical alternative lies between nationalization and the public control of prices. The latter alternative, however, though favourably regarded by many members of the Labour Party, has been generally rejected by Liberals as revolutionary and impracticable. But, under the pressure of necessities incidental to the war, the various

Australian States have established commissions for the regulation of prices, even with regard to commodities not under Trust control. The results on the whole have been beneficial. It appears to me that the object-lesson thus afforded is likely to have important results when the war is over, and will give a new authority to the views of those who see in price-control by public authorities one useful method of protecting producers and consumers from exploitation by a predatory Trust. In this connexion, I may note that the South Australian Commission has made a statement to the effect that the mere possession of the power to control prices had operated to keep prices within reasonable limits, and that in consequence the actual exercise of the power had been unnecessary. In other States, large business concerns have approached the public Commission for permission to raise prices; and the question of the justifiability of an increase in price has been the subject of friendly negotiation between the public authority and the private business. The situation suggests the possibility of friendly co-operation in the future between the Trust and the State, instead of the present attitude of mutual suspicion and hostility.

4. *The White Australia policy*

I have referred to the origins of the 'White Australia'. The policy has acquired the potency and sanctity of an article of faith. Those who attack it as an impracticable vision have to reckon with two facts. In the first place, the assumption that our tropical areas cannot be effectively settled by a white population is unproved. So far as our experience goes, it tends rather to discredit than to support the assumption. A Commonwealth Royal Sugar Commission reported in 1912 as follows: 'We entertain no doubt of the possibility of effective settlement, by a white population, of the Queensland coastal areas. Though a contrary conclusion has been frequently expressed in

the past, we believe that the conclusion is based upon conditions which are no longer existent, or upon a failure to realize the physical adaptability of the white races to varying climatic conditions.' In the second place, the problem of raising or even maintaining the standard of labour conditions must be greatly increased in difficulty by free Asiatic immigration. Critics of a White Australia are apt to represent the policy as one of the dog-in-the-manger order. In reality, the basis of the policy is not sentimental but economic. At the conclusion of the present war, however, Australia will be confronted by some new facts, indisputable if disconcerting. Great Britain, whose support of the policy of a White Australia is indispensable, has employed her native races in India for the defence of the fighting line in Europe. Australia is now in part dependent for security upon the navy of an Asiatic Power—a phenomenon which must have seemed incredible to politicians of a decade ago. Our very troops for the front are being convoyed, it is said, by Japanese cruisers. It is reported, moreover, that Japan proposes to vest its Pacific Islands conquests in the government of the Commonwealth! The Australian citizen, who certainly desires to do the fair thing, will be impelled to face the question whether it is possible to accept the services of the Asiatic in the hour of danger and yet preserve an attitude of exclusion when the hour of danger is past. While I do not think that the White Australia policy will be jettisoned, ingenuity may discover some material modification of it which will allay the irritation which the policy has created in the Pacific world without involving too serious a challenge to the interests of Labour in the Commonwealth.

5. The relations of Australia to the Mother Country

The Imperialism of Seeley made little appeal to popular imagination in Australia. The centripetal influences of steam and electricity may have prepared the way for, but

they did not evoke, a new Imperial consciousness. The Australian born, sturdy and self-reliant, endowed, it must be admitted, with the valour of ignorance, displayed an attitude towards the new Imperialism which was generally apathetic and often hostile. The turn in the tide of affairs came in 1881 when New South Wales dispatched a contingent to the Soudan—one of the most dramatic and significant events in Australian history. The period of the South African War was marked by a further development towards Imperial consciousness. Later, the triumphs of Japan on the battlefields of Manchuria served to give to the growing enthusiasm for the Mother Country a practical basis in the consciousness of potential need for protection. The various influences thus at work, combined with increasing economic interdependence, have found expression in many forms—Imperial conferences, Imperial preference in trade, and a growing recognition of the need for more intimate political relations with the Mother Country. The outbreak of the present war came at a time when the ears of the Australian people were attuned to receive the message which Imperialists have long proclaimed. The fact must be borne in mind if we are to attempt to cast the horoscope of Imperial organization in the future. The present outbreak of Imperial fervour must not be taken to represent a mere ebullition of transient sentiment. It is an expression of forces which have long been at work. Those who for some time past have given much thought to the problem of achieving an Imperial unity which shall be compatible with local autonomy are no longer voices crying in the wilderness. I believe that the conclusion of the war will bring a great opportunity in the life of the Empire. Much should then be immediately possible which has hitherto seemed to some only remotely possible, and to others not possible at all.

In the paragraphs immediately preceding, I have sought to indicate the way in which the war is likely to affect the drift of Australian politics. It must be obvious, however,

that ultimate results can only be guessed at. Some unforeseen factor may upset the nicest calculations. The circumstance is no reason for refusing to look ahead when we are confronted by a fact of such stupendous import as the present war. The effects of the war will be good and evil. If we are to minimize the evil and make the most of the good, to avert dangers and embrace opportunities, we must not be content to wait, Micawber-like, upon the course of events. So long as our view of things future does not take on that fatalistic character which precludes readjustment in the light of later events, so long as we can combine with an element of prophecy an openmindedness to the significance of unanticipated happenings, we are serving to equip ourselves to deal with the problems which will confront us.

W. JETHRO BROWN.

ADELAIDE, *November 25, 1914.*

THE COMMITTEE OF IMPERIAL DEFENCE

WHEN the history of recent times comes to be written, it is probable that the South African War may be found to have been a turning-point in the fortunes of the British Empire. It is true that the main military lesson of that war—the necessity of a military system capable of expansion for the needs of war—could not be applied in full. The British democracy, conscious of its own devotion to peace and ready to credit others with its own sentiments, was not prepared for any great departure in military policy. Without, however, venturing upon the troubled waters of compulsory national service, much could be done, and has been done, to place Imperial defence on a more scientific and sounder system; and for these improvements we have largely to thank the experiences of the South African War. Without these a Liberal Secretary of State for War might never have succeeded in persuading pre-occupied colleagues to accept reforms, such as the organization of the Expeditionary Force and the remodelling of the volunteer system in the existing Territorials. It is proposed here to deal very shortly with one outcome of South African experience—namely the Committee of Imperial Defence.

The Imperial Defence Committee is the direct successor of the Defence Committee of the Cabinet, which was originally founded in 1895. This Committee had been appointed and mainly acted with regard to Estimates, and also in resolving questions which arose between the War Office and the Admiralty. It decided what were the respective liabilities of the two Departments and was a most convenient machinery for threshing out the very serious questions which arose between them and the

Chancellor of the Exchequer, as to necessity of expenditure on a large scale.¹ How little it answered the purposes of the Committee of Defence as now understood may be gathered from the fact that Sir William Nicholson, the Director-General of Military Intelligence, informed the Esher Commission that he knew nothing about the Defence Committee of the Cabinet. 'Nobody attends it', he stated, 'so far as I am aware.'² The Adjutant-General to the Forces, Lieut.-General Kelly-Kenny, had never been called before it and knew nothing of its working.³ Lord Roberts was never asked by this Committee to state his views in writing regarding the military lessons of the South African War; and never received a single instruction from that body, though he was Commander-in-Chief.⁴ Very striking was the evidence given by Sir George Grove, who had been Military Secretary to Lord Wolseley. 'Let us give up', he said, 'this wandering on in a fog, as we have done for years and years, getting a little bit here and a little bit there, but with no definitely laid down, clear and clean plan to work up to a previously determined upon and settled organization.' He was thereupon interrupted by Lord Esher: 'Isn't that what the Defence Committee of the Cabinet were instituted to determine?' and replied: 'My knowledge of what the Defence Committee is intended to do is of the mistiest, but it certainly has never determined this.'⁵ In this state of things we are hardly surprised to find that Lord Lansdowne informed the Esher Commission 'that the papers of the Intelligence Division were never officially communicated to him as the basis of any proposals, through the regular channel, i.e. by order of the Commander-in-Chief. There arises therefore this somewhat extraordinary state of affairs,

¹ Mr. Brodrick. Report of Commission appointed to inquire into the military preparations and other matters connected with the War in South Africa, 1903. Evidence, ii. 550. (Cd. 1791.)

² Ibid., i. 5.

⁴ Ibid., ii. 65.

³ Ibid., p. 200.

⁵ Ibid., i. 402.

that the Secretary of State for War first had his attention specifically directed to important War Office papers by the Secretary of State for the Colonies, to whom they had been communicated in a sufficiently formal manner to enable him to use them officially and to enable the Secretary of State for War to send an official reply.' ¹

It is to the credit of Mr. Balfour's Administration that they did not need the prompting of a Royal Commission to undertake reform in this matter. Mr. Brodrick gave to the Esher Commission an interesting account of the genesis of the new Committee. 'It was borne in', he said, 'upon the First Lord of the Admiralty and myself that, however useful the function of the Defence Committee was, it was absolutely necessary that we should undertake a totally different class of investigation, and that it should be decided, from the point of view of the relative equipment of the two services, what, under modern conditions, it might be necessary for both to undertake. We felt that from that alone any real economy in the two services could come. It was quite clear that the constantly changing conditions of science may make all questions of invasion of this country and our preparation for offensive and defensive action abroad very different. Consequently Lord Selborne and I brought the whole question before the present Prime Minister as soon as he took office, that being at the time of the conclusion of the war. During the war practically the whole War Office was worked to such a degree that it would have been impossible to attempt a fresh organization of this kind, when the pressure was very severe. The new Defence Committee . . . has, as I think, the great advantage of combining with members of the Cabinet the most influential representatives, experts, of the two services, and it also calls in, as occasion needs, representatives either of the India Office or Colonial Office or any other Department affected. The effect of the deliberations of this Committee may be very extensive.

¹ Report, p. 22. (Cd. 1789.)

It is obvious that their decision, so far as a decision of any body of men can govern it, must govern our preparations both by land and sea. So far as my Department is concerned, nothing, which has hitherto been resolved upon as our force either for defence or offence abroad, can be regarded as settled, as apart from the deliberations of this Committee . . . but of course, as explained by the Prime Minister, the functions which he assigned to this Committee are deliberative and not executive.’¹ Mr. Brodrick considered that the position of the Commander-in-Chief would be strengthened by the fact that his responsibility would be shared, or rather the responsibility of adopting his schemes. He would be given the opportunity early in the day of urging upon some of the most responsible members of the Cabinet to adopt his scheme, and his position would be strengthened by the fact that early in the day they would be aware of what they were committing themselves to.²

In an authoritative statement Mr. Balfour described to the House of Commons the work of the new Committee. ‘To survey as a whole the military needs of the Empire, to deal with the complicated questions which are all essential elements in that general problem, and to revise from time to time their own previous decisions, so that the Cabinet shall always be informed and always have at its disposal information upon these important points.’ Such was the *raison d’être* of the new Committee. But for it to achieve its objects it was necessary that its ‘conclusions should be embodied not merely in resolutions, but in reasoned documents in which the whole ground upon which those conclusions have been arrived at will be set out for the information in the first place of the Cabinet of the time—and for the information of their successors.’ Mr. Balfour explained the necessity ‘for constitutional reasons’ of the presence in the Committee of ‘a strong Cabinet element’, whilst the soldiers and sailors would gain

¹ Ibid., Evidence, ii. 550.

² Ibid., p. 551.

in knowledge and understanding of the facts of the situation by being confronted with civilians.¹

But, in order that this 'great experiment on a great subject' should have a fair trial, it was necessary that the Committee should possess the nucleus of a permanent staff. A Treasury Minute of May 4, 1904, explained that 'the experience of more than a year's working of the remodelled Committee shows that the services of a small permanent staff are essential if the Committee is to be placed in a position to discharge effectively the duties devolving upon it'. It was accordingly recommended that a secretary should be appointed for a period of five years, with a salary of £1,500 a year without pension. Such Secretary should be aided by two Assistant-Secretaries. The duties of the Secretariat were:

1. To preserve a record of the deliberations and decisions of the Committee.

2. To collect and co-ordinate, for the use of the Committee, information bearing on the wide problem of Imperial defence, and to prepare any memorandum or other documents which may be required for the purposes of the Committee.

3. To make possible a continuity of method in the treatment of the questions which may from time to time come before the Committee.

As the Committee is itself only a consultative or advisory body, so the Secretariat will have no administrative or executive functions.²

'It is essential', declared the Esher Commission, 'that the system of the future should provide, and no doubt will provide, that the information collected by what is presumably the best means available shall be avowedly and necessarily the foundation of the plans for offence and defence proposed or adopted by the authorities responsible for that duty.'³ It is probable that no better means of

¹ Hansard, 4th ser., cxviii. 1578.

² Treasury Minute of May 4, 1904. (Cd. 2200.)

³ Esher Commission Report, p. 22. (Cd. 1789.)

securing this could have been invented than the foundation of the Committee of Imperial Defence.

Manifest, however, as are now the benefits derived from this Committee, at the moment of its institution it was very far from receiving a general welcome. With the natural distrust of the expert felt by the Englishman, and especially the English politician, Sir Henry Campbell-Bannerman, who himself had been Secretary of State for War, expressed his disapproval of the presence of such people at the Committee. Mr. Broadhurst, a typical Radical of a bygone generation, frankly stated his belief that the appointment of such a Committee was merely an insidious means for adding to the already wasteful expenditure on armaments. It was reserved for men with real knowledge of the questions at issue, such as Sir Charles Dilke and Sir John Colomb, to pronounce a whole-hearted blessing on the new departure. Sir Charles Dilke went to the heart of the matter when he insisted upon the extreme importance of strengthening the interest and the knowledge of the Prime Minister in what was going on at the War Office and the Admiralty. 'That', he said, 'is the real key to the situation; and it is the Prime Minister alone who can effectually represent the Treasury.' In the light of subsequent history it is interesting to note that Mr. Edmond Robertson suggested that the Agents-General of the Colonies should become regular members of the Committee.¹ It was, however, considered wiser that the Committee should remain of a shifting and informal character. As Mr. Haldane explained to the Imperial Conference of 1907, it was a skeleton or nucleus body. Even the Secretary of State for War was not a standing member of it. It had no fixed composition, but consisted merely of such persons as were summoned. If any questions arose, affecting any particular Colony, naturally its representative would attend; but it remained generally true that the Prime Minister was the mainspring of the Committee, to whose beck and call

¹ Hansard, 4th ser., cxviii. 1615.

it was subordinate.¹ However, to make assurance doubly sure, the Conference passed a resolution: 'That the Colonies be authorized to refer to the Committee of Imperial Defence, through the Secretary of State, for advice on any local questions in regard to which expert assistance is deemed desirable, and, whenever so desired, the representative of the Colony, which may wish for advice, will be summoned to attend as a member of the Committee during the discussion of the questions raised.'²

With regard to questions of Imperial defence, there are two possible methods of dealing with them, both of which have been used in recent years. In 1909 a Conference was held with representatives of the Self-Governing Dominions on the naval and military defences of the Empire. This Conference was of a purely consultative character and was held in private. After the main Conference at the Foreign Office a Military Conference took place at the War Office and resulted in an agreement on fundamental principles. The Military Conference then entrusted to a sub-conference, consisting of military experts at headquarters and from the various Dominions and presided over by Sir W. Nicholson, acting for the first time in the capacity of Chief of the Imperial General Staff, 'the duty of working out the detailed application of those principles. . . . Complete agreement was reached by the members of the sub-conference, and their conclusions were finally approved by the main Conference and by the Committee of Imperial Defence, which sat for the purpose under the presidency of the Prime Minister.'³ It may have occurred to those in authority that the summoning of separate committees, dealing with the same subject-matter, was in fact a waste of time and energy, and that the more natural course

¹ Minutes of Proceedings of Colonial Conference, 1907, p. 121. (Cd. 3523.)

² Ibid., p. 120.

³ Statement of Mr. Asquith in House of Commons on August 26, quoted in correspondence and papers relating to a Conference with representatives of the Self-Governing Dominions on the Naval and Military Defence of the Empire, p. 19. (Cd. 4948.)

would be to relegate such questions to the Imperial Defence Committee, strengthened, as it can always be, by the presence at its meetings of representatives from the Dominions, whether experts or ministers. In any case, such was the course adopted at the Imperial Conference of 1911. Mr. Asquith, in welcoming the members of that Conference, proposed that questions of naval and military defence 'should be discussed in the Committee of Imperial Defence, with the assistance of the advice of its expert members, at meetings at which the Dominions will be represented by their Prime Ministers and the Ministers directly connected in naval and military defence'.¹ Mr. Asquith, it is true, maintained that he was following the precedent of 1909; but, as we have seen, this was only partially true.

In fact the procedure involved a more important departure from past precedents, because the meetings of the Imperial Defence Committee were made the occasion for the discussion of questions of far-reaching Imperial policy, extending beyond the details of naval and military organization. 'At the first of these meetings', said Mr. Asquith '(which will, of course, like all of them, be of a confidential character), Sir Edward Grey will attend, and will speak to us on the international situation, so far as it affects the Empire as a whole.'² In more detail the Prime Minister explained to the House of Commons in July 1912, that 'last year we had the pleasure of summoning to the Committee—and they sat with us at the deliberations during those days—the Prime Ministers of the Self-Governing Dominions. I was in the chair myself and I was the sixth Prime Minister. First of all we had a statement from my Right Hon. friend, the Secretary of State for Foreign Affairs, on the general course and direction of our foreign policy. He spoke with the greatest frankness and freedom in the presence of these Prime

¹ *Précis of the Proceedings of the Imperial Conference, 1911*, p. 5. (Cd. 5741.)

² *Ibid.*

Ministers of our relations with the other Powers, and disclosed to them with a candour, intimacy, and fullness which would have been impossible in official or written communications, exactly what our relations are with each of the various European and other Powers, and how these relations affect and must affect our naval and military situation. That was followed by a statement equally frank and full from the First Lord of the Admiralty with regard to naval policy, and by one from the Secretary of State for War in regard to military policy. We discussed upon these occasions the co-operation of the naval forces of the United Kingdom with those of the Dominions; the status of the Dominion fleets, the flags to be flown by them, and the representation of the Dominions on the Committee for Imperial Defence; the possibility of their setting up, each in their own Dominions, some corresponding body to which strategic questions, naval and military, and their relations might be referred.’¹

Mr. Richard Jebb, whose zeal for colonial autonomy appears sometimes to dry up his milk of human kindness towards those who may differ from him, sees in the proceedings of 1911, which he describes as the *coup d'état* of 1911-12, an underhand attempt subtly to remove the subject of foreign affairs from the future purview of the Imperial Conference and to transfer it to another kind of Britannic Council, where British ascendancy would be safe.² One has a natural distrust for those who are more royalist than the king; and, if there is any one who would be up in arms to resent any interference with colonial autonomy, it would, surely, be the statesman who was at once leader of the Australian Labour Party and the Commonwealth Prime Minister. But what were Mr. Fisher's impressions of this alarming *coup d'état*? ‘I believe’, he said at the concluding meeting, ‘what has been done at this Conference will lay a foundation

¹ Hansard, 5th ser., xli. 1385.

² *The Britannic Question*, 1913, p. 4.

broader and safer than has ever hitherto been the case. I believe that the people really do not understand what is taking place at this Conference. Hitherto we have been negotiating with the Government of the United Kingdom at the portals of the household. You have thought it wise, Sir, to take the representatives of the Dominions into the inner counsels of the nation, and discuss the affairs of the Empire as they affect each and all of us. Time alone will discover what that means. I am optimistic. I think no greater step has ever been taken, or can be taken, by the responsible advisers of the King. I hope, as I feel, that there will be no going back on that sound principle acknowledged by you, Sir. I think it will be ever memorable in the history of the British Nation that you have had the wisdom, courage, and foresight to do it. I hope, as I believe, that that confidence will not be misplaced. I am sure it will not. I feel sure that the people we have the honour to represent will welcome it, and at the same time I would like to add these words, not as words of warning, but as words, shall I say, of wise reserve, that they shall not be too anxious to know all the things that have been said by those who are responsible here to those who are immediately responsible in other parts of the Dominions, but that they should rest content with the assurance that those who have the responsibility of advising His Majesty on questions of moment and of great interest are doing the best they can, in the interest, not only of the King himself, but of every subject who has the privilege of being under his reign.’¹

Mr. Jebb’s suspicions have no doubt been whetted by a suggestion in the *Round Table* that the Committee of Imperial Defence, being in an experimental stage and capable of growth, may develop into a kind of Cabinet of the Empire. ‘In vague outline’, it is said, ‘we already see the future division of the British Cabinet into a domestic and imperial Cabinet. Those ministers who deal with

¹ Précis of Proceedings of Imperial Conference, 1911, pp. 82-3.

defence and foreign affairs, are invariably members of the Committee of Defence. The final decision on any matter of policy, arising out of the questions discussed by the Committee, is no doubt taken by the Cabinet as a whole; but it is doubtful if the latter would often demur to a decision arrived at by their colleagues, when sitting as members of the Defence Committee. Though the Committee might retain in form its purely advisory function, this tendency would be strengthened by the presence of Dominion Ministers. A further result would probably be that the experts, who now attend as members on an equality with Ministers, would then attend solely as advisers. The decision of the Committee would in consequence be a decision of Ministers.

‘We may therefore look forward to the Committee taking the form of a Council of Ministers for the united Nations of the Empire, advised by their experts in defence and foreign affairs. . . . This Committee would therefore be the apex of the pyramid from which would branch out the General Staffs and the defence services themselves. Finally, any decision of the Committee would be reported to the British Cabinet, with whom, at any rate until the constitution of the Empire is further developed, the ultimate decision must still rest. . . . While therefore the Committee would not be a true Cabinet of the Empire, it would be a great step beyond anything existing at present, and it would rest with the Dominions to come forward and demand a greater responsibility. Meanwhile, we should have the great advantage that all the governments of the Dominions would be kept informed as to the policy of the Empire, and would be able to make their voices heard, while the world would recognise in the action of the British Government the decision of a United Empire.’¹

It may be so, but, on the other hand, there is, under democratic government, the ever-present fear that the experts, being no longer regular members of the Committee,

¹ *Round Table*, ii, 634-6.

would become gradually relegated to a secondary place ; and that the original purpose of the Committee, to give new eyes to the Prime Minister, might fall to the background in the more grandiose scheme of an Imperial Cabinet. The development of the Committee might perhaps rather be on the lines suggested by Mr. Asquith, branch sub-committees being set up in the various Dominions and Possessions of the Crown with interchangeable membership ; the various sub-committees finding representation on the Central Committee. Whether, then, the ultimate destiny of the Empire should be an Imperial Cabinet, resting on an Imperial Parliament ; or a Conference between the Premiers of Powers, linked by the closest alliance, the position of the Committee would still be the same and stand in the same position to the imperial or co-operating authorities as the Committee now stands to the British Prime Minister. Meanwhile, so long as the Empire maintains its present amorphous and shadowy structure, there is much to be said for the constant introduction of Dominion Ministers to the meetings of the Committee, so that they may become seized by sight and by touch with the complete working of the imperial machinery. Consider what an asset it was to imperial unity that the Labour leader, who returned to power after the outbreak of this great war, had, as we have seen, become already initiated into the mysteries of imperial responsibilities.

These, however, are high themes into which the present writer has neither the will nor the capacity to enter. Our present concern is the Committee of Imperial Defence, as it is, and not as it ought to be. In this connexion the *locus classicus* is the speech of Mr. Asquith on July 25, 1912, which has been already quoted. He pointed out that experience had shown that it was more convenient to do the detailed work of the Committee by means of sub-committees ; the full Committee meeting on an average only six or seven times in the year. There were four

permanent sub-committees in constant session. These were: (1) the Home-ports Defence Committee; (2) the Overseas Defence Committee; (3) the Committee for the co-ordination of action at the outbreak of war; and (4) the Air Committee. In addition there were Committees on local and internal transport; on overseas transport and reinforcements; on wireless telegraphy; on the maintenance of overseas commerce at time of war, and on control of the press and censorship during such period.¹ Since the date of Mr. Asquith's speech the subject of possible invasions or raids was referred to a new sub-committee, on which Mr. Balfour was invited to serve.

In all previous wars Great Britain, so far as land operations are concerned, has been found about as well prepared as a man aroused from his bed to deal with a burglar. It is too soon to draw with confidence lessons from the experience of the present war. But even outsiders cannot but note with admiration that a new spirit of scientific order seems to have attached itself to the methods of British procedure; and it appears no longer the invariable rule that we should only learn to do better by past mistakes. No amount of zeal or intelligence can call into being millions of soldiers, who have not been trained during the years of peace; but, within the limitations imposed by the natural fear of the taxpayer felt by the politician, there is every reason to believe that the Committee of Imperial Defence has been of the greatest service to the Empire, in organizing the best use for the material at hand; and, if we are to remember the navy in our thanksgivings for the daily blessing of our renewed supplies, let us not either be unmindful of the silent, to the man in the street, unknown experts, by whose means, to a great degree, a peace-loving and, politically, simple democracy has been able, in a righteous cause, to don the armour of battle with less confusion and misadventure than, under the circumstances, might have seemed possible.

H. E. EGERTON.

¹ Hansard, 5th ser., xli. 1385.

THE WAR AND UNEMPLOYMENT AMONG SKILLED MEN IN LONDON

SIX months have elapsed since the commencement of the war, and already some of the social experiments initiated in August can be seen in a clearer perspective. Especially is this true of the machinery set up by the Cabinet Committee on the Prevention and Relief of Distress, whereby local representative committees were established in each borough and urban district whose population exceeded 20,000, in each county exclusive of those areas, and in each of the metropolitan boroughs of London. The experience of the writer of this article is confined to London, and certain parts of what follows must necessarily be peculiar to London, though much of it would undoubtedly be applicable to the country as a whole.

The first feature worthy of comment is the rapidity with which this machinery was set up. War was declared by England on August 3, and on August 6 the National Committee on the Prevention and Relief of Distress had been appointed and had sent out its first circular to the mayors and chairmen of local authorities urging them to set up local representative committees. It is clear that within a very few days the Government Committee, aided by the Local Government Board, had invented a new piece of machinery for dealing with unemployment and distress. The machinery set up in London was typical of what was set up all over the country. A letter was sent to the mayor of each borough, in which he was given powers to form a new and special committee. The committee, he was told, should comprise representatives of the local authorities, including the Boards of Guardians, of the

Distress Committee, if any, of the trade unions, and of philanthropic organizations, such as the Soldiers' and Sailors' Families Association; and there was a special recommendation that some of the members should be women.

It is to be noted that there were already in existence two statutory authorities for dealing with distress and unemployment. First of all there was the Poor Law. No one was surprised that this was passed by. Ever since the Poor Law Report of 1909 people generally have realized the limitations of the Poor Law machinery, and the tendency of legislation has been to deprive it of some of its existing powers rather than to impose fresh duties upon it. Then, secondly, there were the local Distress Committees, which in London are under the guidance of the Central Unemployed Body, set up as a result of the Unemployed Workmen Act, 1905. If we look at their composition, we see that it was almost exactly similar to the new local representative committees. Upon it were to be found representatives of the local authorities, including the Boards of Guardians, trade unionists, and representatives of philanthropic organizations. Why, then, were these passed by and almost exactly similar bodies set up in their place? Partly, no doubt, it was because the Distress Committees were rate-aided bodies, but also partly because they had already, during recent years, become somewhat discredited, and it was hoped that the new local representative committees would start without any stigma attached to their name, and that honest and deserving men who had been thrown out of work solely because of the war would have no hesitation in applying to them.

Long before the war broke out the Imperial Defence Committee had had all its plans ready for naval and military action, and a special sub-committee seems to have prepared plans for the State insurance of shipping and the moratorium. But, as far as we can ascertain, no plans had been prepared for dealing with the problem of unemploy-

ment arising out of the war, nor had any forecasts been made either as to the nature or the extent of the unemployment likely to arise. It is easy to be wise after the event; but looking back now, we can see that the better course would have been to have got together a committee of experts as soon as the war broke out, and to have asked them to forecast as far as was possible what classes of people were likely to be affected by the war. Instead of this, the machinery for dealing with unemployment was set on foot within a very few days after the outbreak of war and before any adequate data were available for determining the nature of the distress.

During the first few days the unemployment and distress were undoubtedly very acute. All the reservists had been suddenly called up and the wives had been in many cases left without any money. Far too much reliance had been placed by the War Office upon a voluntary organization called the Soldiers' and Sailors' Families Association, which in certain districts in London was quite incapable of dealing with the sudden problem that confronted it. In some of the boroughs troops of reservists' wives besieged the town hall, demanding payment, while the Labour Exchanges were flooded with applicants wanting a little charring or casual work. Then, too, shipping was temporarily held up, and the work at the London docks diminished enormously. Hundreds of dockers applied at the local Labour Exchanges for work during the early weeks of August. So, too, the industries in the East End which depended upon sugar, such as the jam, preserve, and biscuit factories, were brought to a sudden standstill. And last, and perhaps most important of all, employers took alarm and told their employees that they could not employ them more than a few weeks longer, and this rapidly took shape in the form that the employer at such and such a firm had sacked all his men.

On August 20 a circular was sent out by the Local Government Board (P. R. D. 7) in which appears the

following sentence. 'So far as practicable allowances should be made, not in money, but by way of food tickets on local shops or stores. These tickets should be given to the women rather than to the men.'

Here in a flash we have revealed the ideas as to unemployment and distress which were in the minds of those who were responsible for the creation of the local representative committees. They anticipated acute and widespread distress among the casual and unskilled labourers in the East End and in London generally. Hence the necessary machinery pictured itself in their minds as a glorified Mansion House Committee faced with the old and perpetually recurring problem of the men whose casual earnings were so low that any pittance doled out to the men by a fund would almost inevitably be more attractive than their own low wages and degrading work. Hence, too, the need for insisting that the allowances should be made by way of food tickets and should be given to the women lest the men should spend it on drink. Hence, too, the reluctance to open public registers lest the casual docker, the carman, and the hawker should throng the doors and break down the whole machinery at the outset.

This was the anticipation not only in the minds of the Cabinet Committee, but of almost all of us who claim to have studied these problems, for if the truth be confessed we were all taken unawares. Now for the reality. In November a White Paper was issued (Cd. 7703), entitled 'A Report of the Board of Trade on the State of Employment in the United Kingdom in October 1914'; and from this and from the Board of Trade *Labour Gazette* we can see what the actual nature and extent of unemployment in London has been.

There are three industries which have for the last thirty years or more presented an almost constantly recurring problem. These are the building trade, the carmen and carriers, and the dock industry. It is the distress in these

industries which has led to the creation of Mansion House funds and all the varieties of newspaper funds. They are the trades which are the first to suffer and in which the reserve savings of the men are so small that a few weeks' unemployment is sure to bring destitution to the home. They are the trades which are the standing disgrace and the tragedy of London.

According to the census of 1911 there are 59,300 men engaged in what is called 'Other Conveyance on Roads', as opposed to the omnibus and tramway service. This includes motor-car drivers, carmen, and carriers. After making allowance for recruiting, so far from there being any unemployment among these men in London, we find that in December some 3 per cent. additional men had found work in this trade.

There are 29,700 men engaged in and around the docks according to the census returns, though these do not include all the men who during the year have obtained some casual work at the docks. The returns are given week by week with regard to a considerable number of these men in the Board of Trade *Labour Gazette*. For the first week of January 1915 the daily average number of men employed in the docks and wharves for which comparative figures are available, was 27,411, as compared with 23,258 a year ago, or an increase of 18 per cent. over last year. Indeed, at the present time there is a shortage of labour at the docks which is without precedent in its history.

With regard to the building trade, which gives employment in Greater London to no less than 178,000 men, there were in December 7·8 returned as out of work in the Unemployment Insurance figures, a decrease of 3·1 as compared with December 1914.

If we turn to the White Paper for October we shall see which are the trades which in London were most affected by the war. The following figures for October show the diminution in the number of men employed in their trade

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as compared with July, after making full allowance for those who had enlisted :

<i>Name of Trade.</i>	<i>Numbers employed in 1911 Census.</i>	<i>Percentage Reduc- tion in October as compared with July 1914.</i>
Precious Metals and Jewellery .	5,700	— 15·7
Watchmakers and Clockmakers	2,800	— 10·2
Piano and Organ Makers .	6,900	— 20·1
Cabinet-making, French Polish- ing, and Upholstery . .	25,900	— 17·7
Printing	61,300	— 4·8
Tobacco	3,500	— 7·1
Boot and Shoe	19,800	— 11·6

These figures only show the diminution in the number of men working at their own trade, and it must be remembered that a considerable proportion of them have found work in kindred trades in connexion with Government contracts. Further, one or two of these trades, notably the piano and organ, the boot and shoe, and the printing trades, have revived very considerably during the last few months.

But the outstanding fact still remains, that, speaking generally, it has only been the skilled and highly paid trades which have suffered owing to the war, and within these trades those who have suffered most have been the men who were employed upon making articles of luxury. The chief victims have been those engaged in making precious metal and jewels, expensive watches and clocks, beautiful furniture, court slippers, and gentlemen's patent leather boots and shoes, artistic and luxurious books and cigars, and the very highest class tailoring.

Looking back now, in the light of the wisdom that comes after the event, we see that the explanation of this is quite simple. The necessities of life have never probably been produced in such profusion as at the present time. Not only is the East End soldier better fed and better clothed than he has ever been before, but, in addition, the consumption of such necessities of life as clothes, boots, &c.,

is unprecedentedly high. The life of a soldier's uniform, when on actual service, is said to be reckoned at five weeks, and the life of boots at even less. The wives of the soldiers and sailors are in many cases receiving more than they have ever done before, and hence the consumption of necessities at home shows no sign of diminution. We are spending our capital in millions upon producing the necessities of life and the necessities of war.

But though more is being spent upon necessities than has ever been spent before, yet a great deal of the money to pay for it comes from the pocket of the tax payer, and it is especially the income-tax payer who is feeling the pinch. Not only is his income tax going up, but there are enormous calls upon his purse for the Red Cross work, for the Belgian refugees, for the Prince of Wales's Fund, and for every kind of new society in connexion with the war. Further, the wealthy men whose income depends upon the Stock Exchange have been badly hit, and they too have had to retrench. Hence the great diminution in the demand for luxuries which has affected all the men who are engaged in the manufacture of such articles.

Not only are such trades severely hit at the present time, but they are likely to remain so for a considerable period after the termination of the war. The income tax is likely to remain phenomenally high for some years, and this must necessarily affect the purchase of luxuries. It must be remembered that the luxury trades are also the trades which employ great numbers of highly skilled men. There is a considerable amount of artistic skill required in the manufacture of jewellery, beautiful furniture, and the better class of illustrated books and hand-made boots. This skill requires years to bring to perfection, and one cannot fail to be struck by the relatively high proportion of old men among such trade unions as the Wood Carvers.

The problem of unemployment among skilled men has always presented grave difficulties. The experience both of the Mansion House Committee and of the Central

Unemployment Body has been that skilled men will not apply for relief. It was hoped that this new organization, based as it was upon a national and patriotic appeal, would be more successful. But the experience of the last five months has shown that it has been no more successful than any preceding efforts. In the Upholsterers' Union, for instance, though the men have been severely hit by the war, and though many of them have been practically destitute, yet only two, as far as can be ascertained, have applied for relief to the local representative committees.

An application for relief has necessarily to be followed by a visit of investigation, usually by a middle-class lady visitor. Everything possible has been done by the local representative committees to make these visits as friendly as possible. If ever the system could have been successful it would have been at such a time as this, when class differences have been merged in a feeling of national unity. But in spite of all this the method of visiting the home and inquiring into the circumstances of the family has aroused the deepest resentment in the minds of skilled workmen, and has undoubtedly acted as an insuperable obstacle to their applying to the local representative committee.

Further, the experience of the last few months has shown the inadequacy of any method which relies upon monetary relief as a remedy for unemployment. The middle-class man is tempted to think of unemployment as a time of holiday and rest, almost acceptable so long as there is adequate relief or money coming in to the family. But the skilled workman finds it impossible to enjoy a compulsory holiday. The present writer has interviewed large numbers of skilled men out of work during the last few months, and what they have wanted most of all has been some kind of employment in which their activities could find scope.

At the present time there is little or no distress among unskilled labour, and hence the present moment is a

peculiarly opportune one for thinking out some better method of dealing with unemployment among the highly skilled trades than has hitherto been devised.

A few general propositions may, perhaps, be safely laid down in the light of the experience of the past few months. In the first place, the real unit of a skilled trade in London must be the *trade and not the borough*. It is impossible, for instance, for Stepney, Hackney, Shoreditch, Bethnal Green, and half a dozen other boroughs to think out any comprehensive scheme for dealing with the furniture trade. Further, skilled men have confidence in the people within their own trade, and the chief work of dealing with a skilled trade should be left to the trade itself. This points to some kind of trade committee, perhaps on the lines of the trade board, composed of masters, men, and 'appointed' members with social experience, to whom should be entrusted the general supervision of the trade.

Secondly, the whole method of investigation by visitors at the home into the condition of the family should be swept away as far as skilled labour is concerned. In doing this we should be following the lines already laid down by the experience of trade unionists themselves. When a man is out of work no investigation of the home circumstances takes place, but the man is asked to come to an office and sign the unemployed book once or twice a day as a proof that he is out of work. The same method has been adopted under Part II of the National Insurance Act, which deals with unemployment, except that in most cases the man has to sign a book at the local Labour Exchange.

But though such a Trade Committee would naturally concern itself with the payment of relief to those out of work, their primary business would be to provide some form of occupation for as large a number of the unemployed as possible. It would be one of its chief aims to see whether there were not other industries in need of workers to whom some of the surplus men might be transferred. The present

war has led to an unparalleled dislocation and shifting of industry. Some trades are crying out for more workers, others have far too many. The Trade Committee would work closely in touch with the Labour Exchange, and would receive from them constant communications as to the shortage in any industry. From every quarter we hear of skilled men who have at this crisis changed their trade. Jewellers have gone into engineering works, watch-makers have gone into the post office, cigarmakers have turned to machining in the tailoring industry and upholsterers have learned cutting for military tailoring.

But all this has been entirely haphazard. On the whole, it has been the youngest and the most efficient who have made the move. The older men, whose need was often the greatest, have not had the courage to make a move. A sense of self-respect has made them reluctant to start life over again and become, as it were, boys learning a new trade. The Committee which reported upon the provision of work for Belgian refugees called attention to the fact that there was a definite shortage of such men as armament-workers, glass-blowers, woollen-workers, miners, motor mechanics, and agricultural labourers, but nothing systematic has been done to train skilled men in one trade for another trade. One small experiment in this direction has been set on foot at Toynbee Hall. Ever since the beginning of the war there have been hundreds of upholsterers, cabinet-makers, and wood-carvers out of work in London. At the same time there has been a serious shortage of labour in the leather industry. Leather-stitchers were needed for the manufacture of military accoutrement, especially for such articles as entrenching-tool cases, bandoliers, frogs, ammunition racks, &c. Not only were there huge demands from the English Government, but large supplies were needed as well for the French and Russian armies.

Some of the residents at Toynbee Hall hit upon the idea of deliberately and systematically transferring men from

the furniture trade to the leather industry. There was an ideal conjuncture of circumstances for such an experiment. It was clear that the furniture trade would continue to be severely depressed throughout the period of the war, while during the same period the leather industry would undoubtedly enjoy an unprecedented boom. On the other hand, it was equally certain that cabinet-making would revive at the close of the war, while under no circumstances would the leather trade be able to retain the additional men.

Inquiries were made from leather manufacturers as to the possibility of training men to become leather-stitchers. As was to be expected, the opinions expressed were extraordinarily conflicting, but quite a number of manufacturers thought that skilled men would learn plain stitching in a month. Accordingly the Government Committee for the Prevention and Relief of Distress was approached, and agreed to grant from the Prince of Wales's Fund a sum sufficient to pay for the capital expenses of the school and a maintenance grant for each man at the school.

Toynbee Hall has always been a pioneer centre for new experiments during the thirty years of its existence, and the Toynbee Hall authorities fell in very readily with the scheme and offered a large building rent-free in the daytime, and the school was opened on December 7, 1914.

The school was essentially a venture of faith. Some of the manufacturers were frankly sceptical about the whole idea, while no one had any previous experience as to whether grown-up men could be taught a new trade. The only way in which this could be found out was to make the experiment.

The following figures show how far the school has been successful :

Total number of men taken on at the school	139
Total number of men who have been found employment in leather-stitching . . .	64
Total number still at the school on Friday, January 15, 1915	58

Only two men were sent away from the school as being incapable of learning a new trade, and fifteen men left to go back to their old trade. Every man who has been a full month at the school has found work at leather-stitching, and the average wages earned have been between 30s. and 35s. a week. Some are earning £2, and a few as much as £3 a week.

Perhaps the most interesting feature has been the success of the old men. Over half the men placed were between the age of forty and fifty, while two or three of the very best were nearer sixty than fifty. It was a most refreshing sight to see the keenness and the interest with which the older men, especially the highly skilled carvers, set to work to tackle a new trade. Many of them confessed that they would never have had the courage to make a start but for the stimulus of the school and the encouragement of the foremen teachers. They would have shrunk from going into an ordinary workshop and starting, like boys, to learn a new trade, but they were quite ready to be taught in the friendly atmosphere of a school.

The men were sent by the Upholsterers' Union and the National Amalgamated Furnishing Trades' Association, and the enthusiasm shown by the men for the school has been remarkable. Both foremen and men have felt all along that they were assisting in something that was not a mere business venture but a pioneer social experiment.

Without claiming too much for the school, it has at least thrown a little light upon the problem of training a surplus of skilled men to learn a new trade, and one of the functions of such a special Trade Committee as is outlined above would be to consider the whole problem of such trade-transference schools.

And lastly, these special committees might have power to establish trade schools to train the grown-up unemployed men still further at their own trade. A great deal of criticism has been levelled at the suggestion of the Minority Report of the Poor Law Commission to put all men when

out of employment under some kind of training. But a great many of these objections fall to the ground when dealing with highly skilled trades, especially where artistic powers are called forth. In such trades there is always a great deal of new designing to learn, and the higher the standard of such trades the more are they likely to hold their own in the markets of the world.

It is at first sight cheaper to pay a skilled man a pound a week for doing nothing than a pound a week to attend a trade school, because there would be in addition the cost of equipment, tools, instructors, &c. But if we strike a true balance sheet, the matter is very different. Against this extra expense we have to set not only the added skill which the unemployed would acquire in the school, but also the tremendous gain that comes from preventing men who are out of work growing dispirited and losing hope and sometimes even self-respect.

J. ST. G. HEATH.

THE NATURE OF NATIONALITY

ONE of the issues of the present European war is as to the future of small nations and certain subject-peoples. Responsible statesmen in this country have insisted upon the rights of small States to an independent existence, and expressed their sympathy with unfree peoples struggling for political independence. Whether the small State should continue to exist depends upon the answer to the question, What is a nation? and whether subject-peoples should be granted full political sovereignty hangs in part upon the same question, and also upon the larger problem of super-national development and the place of nations in the world polity.

1. WHAT IS A NATION ?

It is unfortunate that the terms 'nation', 'state' and 'country' have come to be used in the same sense. Mazzini, the prophet of the principle of nationality, himself uses 'nation' and 'country' synonymously.¹ The latter expression is commonly used in two ways; in the first place as a territory, and secondly to imply a nation. This double meaning has probably arisen by an extension of the content of the term as used geographically, to cover the living thing we call the nation which has its roots in the land its people inhabit. The part played in the birth and growth of nations by the complex of non-human factors and influences we call Nature, is as fundamental as it is in the production of wealth.

Geographical considerations determine not only the size, but the character of nations and their political organization

¹ See Mazzini's *The Duties of Man*, essay on 'Duties to Country'.

called the State. The completest examples of natural influences upon the size and character of States are to be found in the island State on the one hand (which may become, as in our own case, an overseas Empire), and on the other in the State of the plain, typified by Russia.¹ The difference in the two types is due to a difference in frontiers; the one strong, the other weak. In the latter case there are two possible alternatives: expansion until natural frontiers are reached, or an artificial frontier of men.² The importance of the sea and of mountains lies partly in the fact that they mark off peoples, as witness the States of Ancient Greece; though, in common with the climate, the nature of the soil, the presence or absence of minerals, the supply of running water, &c., they exert far-reaching social and economic effects. The lines of economic development, together with the qualities thereby engendered in the people, and the method of life rendered necessary by physical conditions, the rigour or otherwise of the climate, &c., are elements which go to the making of nations. Behind these special factors are the general influences of environment—the effects of sea and mountain, and of broad plains, of bleak cliffs and rich valleys, on the temperament and character of the people. Once a people have settled in a territory a considerable step towards nationhood has been taken, though nomadic peoples may possess many of the attributes of the nation.³

The remaining factors, which through perpetual interaction yield the nation, are but indirectly connected with geographical influences, or, to use the wider term, Nature, though many would probably view Race as a joint product of Man and Nature, of stock and environment. It is to

¹ See an article in the *Round Table* for December 1914 on 'Russia and her Ideals', pp. 105 et seq.

² Cf. Prussia, and later the German Empire. N.B.—Belgium, where, in the absence of natural barriers, Teuton and Celt have met, and the basin of the Danube, the meeting-place of the Teuton, the Slav, and the Turanian.

³ Where the Greeks were there was Hellas.

be expected that a common origin, a common family, will be a strong bond between people. Of the differences between the white and red, the yellow and black, races there is no doubt;¹ and the differences between the various branches of each of these great groups, whilst much less marked, are not negligible, though it is impossible to determine how far they have been produced by a divergent history. The modern world, however, is not a world of pure races; indeed, the greatest nations may be composed of the most mongrel peoples. Nevertheless, there is often a predominant basic race; or, to put it another way, the various racial elements are found in different proportions in modern peoples. This accounts in some degree for the dissimilarities between the English, the Germans, and the Dutch, and between the French, the Spaniards, and the Italians. With the advance of civilization, race probably comes to count for less, but the motive force behind national movements is often racial in origin, though even here a common history and a common tongue frequently play a considerable part.

The value of a common language can hardly be overestimated. Language not only embodies much of the history of the past, but is the vehicle for the expression of thought. It renders possible that dissemination and discussion of views, opinions, and ideals which slowly evolve into a common purpose, and strengthen the fundamental unity of a people. By means of a common language, the culture of a people expresses itself in a thousand different ways, and national ends and aims are imprinted on the minds of the people not merely by the communication and repetition of ideas through written and spoken words, but in a more subtle way through the structure, vocabulary, and colloquialisms of the language. And yet a nation may exist without a single common tongue, as, for example, Switzerland and Belgium. On the other

¹ Note the dictum of Thomas Davidson: 'To the Semites we owe the Church; to the Aryans, the State.'

hand, linguistic and literary studies have stimulated national ideals among the Czechs, the Bulgars, and the Finns.

Closely related to language are the literary achievements of a people, though here again the influence exerted is intermingled with that of other factors. Literature often enshrines the history of a glorious past, though as literature its influence from the national point of view is derived from the fact that it is the reflection of the soul of a people, intensifying its self-consciousness.

A further element in the making of nations is religion. In the Middle Ages, when Christendom was Catholic, there was a great gulf between the Christian and the infidel; the Reformation, though the divisions it made were not perfectly clear cut, did mark off in a broad way Protestant from Catholic countries, and wars fought in the name of religion aided the growth of national unity. But the direct effect of religious beliefs is to be found (1) in the extent to which they mould the lives of peoples, and also (2) where peoples have suffered persecution. The union of Belgium and Holland proved to be but temporary, and though many factors placed a gulf between the two peoples, the impression made by Alva and the Inquisition was a powerful hindrance to the growth of unity, for the Belgians are Catholics and the Dutch Calvinists. In the Balkan States one of the points around which national struggles have waged has been that of a national Church. Amongst the Bulgars one of the earliest steps towards the realization of the nation was the foundation of the Bulgar Exarchate, and the institution of a Bulgarian Church. The Russian and German Poles have clung to Catholicism to widen the chasm between them and the Orthodox Slavs and the Lutheran Prussians, using their religion as an end to the preservation and strengthening of national feeling. But the effect of religion in modern times as a factor in the rise of nations is indirect rather than direct; in other words, its influence is through

historical traditions and the part which religion has played in the past.

This brings us to the importance of a common past. A people living together through generations, subject to the same broad influences, working out in common their own domestic problems, facing together great crises, meeting shoulder to shoulder the shock of invasion, fighting side by side on the field of battle, necessarily gain an inner unity striking far deeper, as a rule, than local and sectional differences. Within the orbit of historical influences must be included the elements already mentioned. Race, language, literature, religion on the one hand, and the physical world on the other, acting and interacting over centuries, produce certain mental, moral, and physical qualities and characteristics, and lead to certain achievements in all the varied phases of human effort. There is a consciousness of a peculiar outlook, a definite attitude towards life, a tradition, an atmosphere, a culture, a civilization, special to the people and distinguishing it from other peoples, and manifesting itself most strongly in time of crisis or when its existence is imperilled. It is because of it that an Englishman, as a rule, whether cook's son or duke's son, is an Englishman all the world over. This culture is expressed in practically every side of national life, and is embodied in the institutions of the country, and in the laws and everyday habits and customs of the people.

Nationality itself is not a compound of race and the other elements referred to above; they are merely the stuff out of which nationality is produced. It is something above the factors whose interaction brings it into being. It is a unifying force impelling a people to preserve their identity, and driving them to realize freedom from subjection to other peoples, and to maintain political freedom once it has been attained. It is the driving power of a people, just as personality is of the individual.

So far we have not dealt with the question of political

freedom and self-government, and the relation of the State to the nation. The State 'is the one compulsory community'.¹ Membership of it, conferring certain rights and imposing certain duties, is obligatory on all resident within its jurisdiction. Either the subject must obey the State or leave it, as Irishmen, Poles, and Southern Slavs have done, and as in the past devotees of religious creeds have done. Obedience may be either willing or unwilling. Where membership of the State is willingly accepted by the great majority of the people, there is a nation; a people cannot be a nation without free acquiescence in the authority of the State. The existence of wide political, religious, and class differences does not in itself destroy a nation. The various schools of political thought in this country desire to convert the State organization into something expressing and realizing their ideals. The State means so much to them that reformers and revolutionaries bend their energies to its growth and transformation. The case of subject peoples, however, is far different. They do not consider the State to be merely imperfect; they regard it as something foreign, something of which they are not a part, and to which they can never become reconciled. Their desire is to be outside the State; their membership of it is, therefore, unwilling, as is the case among the German Poles, and as now appears to be the case among some of the Southern Slav peoples of the Dual Monarchy. A people in whom there is the spirit of nationality cannot become a nation without the basis of political institutions, i.e. until it is embodied in a State. Till then its energies will be directed to this end. It will be 'a soul, as it were, wandering in search of a body'.²

To put it crudely, then, a nation is a body of people with certain common elements, including race, language,

¹ 'The State in Recent Political Theory', by A. D. Lindsay, in the *Political Quarterly*, February 1914, p. 134.

² *The History of Freedom and other Essays*, by Lord Acton, p. 276.

literature, religion, &c., with a common history, a common heritage of accomplishments and common traditions from the past; who have, as a consequence, developed a peculiar and characteristic culture, which is expressed in their institutions, laws, manners, and customs. They willingly submit, in general, to the membership which the State demands, and are ready to undergo great sacrifices to preserve its integrity and freedom.

A common basis of race, a common language, and the other elements mentioned above are important, so far as nations are concerned, because they each in their different ways have given birth to and strengthen the feeling of inner unity. Many nations lack certain elements, the spirit of nationality springing from common associations of other kinds. Belgium is a nation in spite of racial and linguistic differences. It will be clear that a nation need not enjoy full political independence, but it must be part of a State in the sense that the people accept willingly the obligations of membership. The culture of a people need not be violated and its growth impeded by co-partnership with another people in a State organization, provided there is active acquiescence in the rule of the State, though to be successful the organization would probably have to be federal and not centralized.¹

2. NATIONALITY AND DEMOCRACY

The modern national and democratic movements are intimately related, but it has been said that 'though the idea of nationality is greatly affected by democracy, it is in itself distinct from it, and is, in fact, very frequently

¹ Cf. the 'centralist' and 'federalist' controversy in Austria. Centralization gives no scope for the full expression of national ideals; its outcome is uniformity. Federalism achieves not uniformity, but unity through diversity. Déak, in a speech delivered in Hungary in 1872, said: 'If we desire to win over the nationalities, then we must not endeavour to Magyarize them at any price. We can Magyarize them only if we make them satisfied citizens of Hungary, who are fond of the life and conditions prevailing in it.'

separated from it. The idea and the passion of nationality blend quite as easily with loyalty to a dynasty as with attachment to a republican form of government'.¹ Strong national sentiments and the absence of representative institutions may be found together, where the political education of the people has not proceeded very far. But the modern movements rose from a common origin; they are each the offspring of the ideas of the French Revolutionary period, and the liberal movements in the first half of the nineteenth century drew little distinction between national aspirations and popular reforms. The German movement towards national unity was inextricably bound up with the growth of democratic government. National freedom and constitutional developments ran together in Hungary, as witness Déak's 'Ten Points'. This is comprehensible, for the principles of nationality and democracy are alike based upon the watchwords, Liberty, Equality, Fraternity, and clearly a subject people is as undemocratic a spectacle as a subject class of society.²

Democracy presupposes the nation. The normal evolution appears to be, the realization of nationhood first, democracy afterwards; freedom for the people as a whole, and then the evolution of those principles of action and institutions determining the relations of the individuals composing the people, to each other and to the State. Broadly speaking, voluntary democratic movements, such as the co-operative and trade union movements, are to be found at their best among those peoples who have reached nationhood—England, France, Germany, Belgium, Denmark, &c.

The question of nationality, therefore, assumes an important aspect for all who believe in democracy. The solidarity of labour, for example, will never be fully

¹ Lecky, *Democracy and Liberty*, vol. i, p. 476.

² 'The theory of nationality is involved in the democratic theory of the sovereignty of the general will' (*The History of Freedom*, by Lord Acton, p. 287).

realized so long as the growth of national trade union movements is overshadowed by the more pressing need for realizing nationhood. The possibility of a federation of nations leagued in peace will be retarded by the continued existence of suppressed peoples and of undemocratic forms of government, for the union of nations depends upon democratic principles.

Though nationality and democracy are, therefore, intertwined, and though there can be no true democracy where, within a State, a people is kept in a position of inferiority, yet there may be States in which there is a dominant people rejoicing in nationhood, but denying it to another people within the same State. In Hungary, the Magyars, fierce nationalists, have endeavoured to crush the national spirit in the non-Magyar peoples of the kingdom. Here we have an example of an intolerant nation trampling underfoot its subject peoples struggling towards nationhood. Germany offers similar examples in Poland and Alsace-Lorraine. Great Britain until recently had an outraged Ireland, and may yet have an outraged Ulster. The overbearing and intense spirit of nationality in Germany and Hungary, which seeks to impress itself by Germanization and Magyarization upon subject peoples is, of course, undemocratic, and consequently foreign to the true spirit of nationality.

This overweening nationalism has developed into a larger movement, mainly racial in basis. Pan-Germanism is the logical outcome of Germanization within the German Empire. It is nationalism run mad, desiring to do for the Teutonic peoples what Prussia has done for the Empire. But, as has already been suggested, race is but one of the foundations upon which national cultures are built, and, owing to the interaction of other influences, similarity of race in two nations, even ignoring the presence of other racial elements, may be overlaid by fundamental differences of outlook due to a different history and different traditions. The ideals of Pan-Germanism can

be realized in one of two ways: by coercion, or by the free association of the various branches of the Teutonic race; neither seems to be even remotely probable. The same holds good also of the vaguer Pan-Slavism.¹

3. SMALL NATIONS

‘The State is Power’, says Treitschke. ‘Of all political sins, that of weakness is the most reprehensible, and the most contemptible; it is in politics the sin against the Holy Ghost.’² This doctrine obviously finds no room for small nations, which in the nature of things cannot be powerful. ‘It is manifest’, he says, ‘that, if the State is power, it is only the State that is really powerful that corresponds to our idea. Hence the undoubted ludicrousness that lies in the nature of a small State. Weakness, it is true, is nothing intrinsically ludicrous, but the weakness that tries to pose as power is indeed so.’³ Further than this, ‘in small States there is developed that beggarly frame of mind which judges the State by the taxes that it raises. It is because it begets this materialism that the small State has so pernicious an effect on the mind of its citizens’.⁴ But this is not all; ‘there is also completely lacking in small States the ability of the great State to be just. Whoever in a small State has a sufficient number of cousins, and is not quite an imbecile, is soon provided for’.⁵ He concludes, therefore, that ‘the great State has the nobler capacity. That is true above all of the great fundamental functions of the State, protection by arms, and law-making. Both can be much better carried out in a great State than in a small one’.⁶ Again, ‘the

¹ See an article on ‘The Slav Peoples’, by A. J. Toynbee, in the *Political Quarterly*, December 1914. For Pan-Germanism, see *The German Enigma*, by Georges Bourdon, chap. ix. For Pan-British views and the wider policy of World-Power, see Seeley’s *Expansion of England*.

² *Selections from Treitschke’s Lectures on Politics*, translated by A. L. Gowans, p. 32.

³ *Ibid.*, p. 17.

⁴ *Ibid.*, p. 18.

⁵ *Ibid.*, p. 18.

⁶ *Ibid.*, p. 18.

economic superiority of great States is very obvious. . . . Economic crises can be far more easily surmounted by a great State than by a small one; failure of crops, for instance, will hardly affect it in all its parts'.¹ On all counts it appears that the large State has advantages over the small one. On Treitschke's assumption, it follows that 'only in great States can there be developed that genuine national pride which is the sign of the moral efficiency of a nation'.²

Now there is some truth in this point of view. There are considerable advantages on the side of large States. It has been pointed out that 'smallness is a disadvantage, both to the small nation itself and to all larger neighbour States'.³ This is because 'the rule of law has as yet no stable basis in human society except within the sovereignty of a single State. . . . The larger the State, the more communities it embraces, the greater area it controls, so much the wider is the range of human life which it exempts from the crude rule of force'.⁴ The line of thought taken in this argument differs widely from Treitschke's, but it serves to emphasize the danger of small States. It is clear that, other things being equal, the fewer sovereign bodies there are entering into direct relations with each other, the less complicated those relations and the issues between the States will be, the less likelihood there will be of incalculable disturbing factors hampering the cause of peace, and the greater will be the possibility of establishing the rule of law.⁵

¹ *Selections from Treitschke's Lectures on Politics*, translated by A. L. Gowans, pp. 18-19. Cf. Norman Angell, *The Great Illusion*, chap. iii.

² *Ibid.*, p. 19.

³ See an article on 'Nationalism and Liberty', in the *Round Table*, December 1914, p. 57.

⁴ *Ibid.*, p. 57.

⁵ The following passage is worth quoting in full: 'Uniformity is, indeed, the essence of the whole idea; but Europe will have suffered the experience of many decades in vain, if any nation is still to dream that consensus can be bred of the dominion of a single Power. Consensus can only be stable if it comes as a free growth, and free growth means the gradual approximation of the different national aims and

In contradistinction to Treitschke's view may be put the view that 'the greatness of a nation is not measured by its size but by its spirit'.¹ In the words of Dr. H. A. L. Fisher,

The truth is that the quantitative estimate of human values, which plays so large a part in modern political history, is radically false and tends to give a vulgar instead of a liberal and elevated turn to public ambitions. There is no virtue, public or private, which cannot be practised as fully in a small and weak State as under the sceptre of the most formidable tyrant who ever drove fifty army corps of conscripts to the slaughter. There is no grace of soul, no disinterested endeavour of mind, no pitch of unobtrusive self-sacrifice of which the members of small and pacific communities have not repeatedly shown themselves to be capable. These virtues indeed may be imperilled by lethargy, but they are threatened even more gravely by that absorbing preoccupation with the facts of material power in which the citizens of great empires are inevitably involved.²

Dr. Fisher here deals in the main with the question of small States from the point of view of the individual; Professor Adams has in mind the nation. Both views, however, brush aside power as the test of a State. The

ideals, not the triumph of one over the rest. The number of existing nations is manifestly the greatest of all obstacles to any such growth. European diplomacy is already sufficiently bewildered by the intricacy of the means by which international questions are discussed. Every Chancellery the more means so many more agents in every capital, whose ability and personality may have decisive results; every Chancellery the less means so many fewer of these agents, with a proportionate reduction of the personal factor and a proportionate simplification of diplomatic work. The tendency to groups and associations among Powers is, in part, an instinctive effort on the part of those responsible for policy to introduce some greater clearness, simplicity, and directness into their work. The whole tendency of business is the same. Complexity is expensive and dangerous; simplicity and broader regulation is the universal goal. International relations will benefit immeasurably by the same process, and therefore by the reduction of the number of sovereign States. A stable Concert can never be attained, indeed, by any other means'. *Round Table*, December 1914, pp. 61-2.

¹ Article on 'The European War', *Political Quarterly*, September 1914, p. 15 (reprinted as *The Responsibility for the War*, by W. G. S. Adams (Oxford Pamphlets)).

² *The Value of Small States*, by H. A. L. Fisher (Oxford Pamphlets, 1914), pp. 24-5.

State is the political organization of a people ; the measure of the State must be in terms of human values. In the last resort, a nation is judged not by the extent of its territory, by the size of its military and naval forces, by the populations it has subdued, but, on the one hand, by the fullness of its life, the freedom of its members, the nobility of its ideals, and the strength of its inner unity, and, on the other, by the contribution which, through its thought and action, its achievements in art, science, and literature, its social and political experiments, it makes to the cause of human progress and civilization. Briefly, the value of a State is its value to humanity. To the cause of human progress, both large and small nations may have much to offer, and many examples could be cited of how human society has been enriched by small States from the time of Ancient Greece down to the present day.

It does not, however, follow that the world would be robbed of the contributions of small peoples unless they possess full political independence. It has been shown above that so far as nationhood and the free and full expression of nationality are concerned, nations need not necessarily form a self-contained State ; but it is indispensable that they should willingly form one of several co-partners in a sovereign body, organized on a federal basis. The dangers inherent in small States, under existing conditions, may, then, be avoided by the grouping of nations for the exercise of sovereign powers. But subject-peoples on the verge of achieving nationhood, and young nations flushed with their new-found freedom, may not seek union with other nations so long as there is a possibility of independent existence. Any attempt at coercion on the part of larger States would be foredoomed to failure, and the modern world cannot afford to run the risk of establishing federal unions unless by the wholehearted mutual consent of the nations to be federated. The surest progress will be made by first nationalizing subject

peoples in whom there is a developed national consciousness, even if it mean multiplying the number of sovereign States, for at least one cause of unrest will thereby be removed. The differentiation of peoples into groups with their own angle of vision, and their own individuality, is not to be repressed but encouraged, and in certain cases it may be necessary to pass through the stage of independent existence as a State. The growth of large federal States must be left to the initiative of the small States themselves, who, it is to be hoped, may be trusted to realize the advantages of union. The Balkan League, short-lived though it was (owing, in part at any rate, to external influences), may ultimately, with the removal of outstanding grievances and difficulties, be re-born as a permanent organization. On the other hand, in some States, such as our own and probably Russia, there is likely to be a movement in the opposite direction, by a process of devolution to 'national' organizations—in this country towards local autonomy for Ireland (with or without Ulster), Wales, Scotland, and England. It appears almost too much to hope now, when unsympathetic treatment and repression have done their worst and driven deep the desire for full freedom, which the war will probably intensify, that the Dual Monarchy will be reorganized on a federal basis.

4. NATIONS AND INTERNATIONALISM

We may now return to the two views of the State. Treitschke holds that the State is power. It is but a logical development of this view to say that 'the essence of the State consists in this, that it can suffer no higher power above itself. How proud and truly worthy of a State was Gustavus Adolphus's declaration when he said: "I recognize none above me but God and the sword of the victor"'.¹ Furthermore, 'a State attains to self-

¹ *Selections from Treitschke's Lectures on Politics*, translated by A. L. Gowans, p. 14.

realization by friendly intercourse, and also by conflict with its fellows. Hence the ideal of a World-State, embracing all humanity, is not a true ideal; such a State would be repulsive and unnatural'.¹ 'In this eternal conflict of separate States', says Treitschke, 'lies the beauty of History; the wish to do away with this rivalry is simply unintelligent'.² 'War must be conceived as an institution ordained of God'.³ Again, 'the erection of an international court of arbitration as a permanent institution is incompatible with the nature of the State. Only in questions of second or third importance could it, in any case, submit itself to such a court of arbitration'.⁴ As Mr. Davis puts it: 'there is no law to which a State is subject; for laws are made by a sovereign who can enforce them. There is, then, no such thing as international law. True that States make treaties which are analogous to contracts. But treaties last only so long as it suits the contracting States to observe them. No efficient tribunal has been or can be devised to adjudicate between independent States. The only law which binds them is the law of their own interest'.⁵

We have here three closely related deductions from Treitschke's conception of the State: first, that the State is supreme and that there can be no organization above it; second, that 'might is right'; third, that the rule of law is impossible. The opposing view considers the State as the political organization of a nation (or group of nations) contributing its quota to the progress of mankind, reaching out beyond the confines of the State to humanity, implying organization for peace and not for war. The two views are diametrically opposed: one is competitive, the other co-operative; one is undemocratic in essence, the other democratic; one stands for the rule of force,

¹ *The Political Thought of Heinrich von Treitschke*, by H. W. C. Davis, p. 14.

² Quoted in Davis, *op. cit.*, p. 130.

³ Treitschke, quoted in Davis, p. 179.

⁴ Gowans, *op. cit.*, p. 16.

⁵ Davis, p. 162.

the other for the rule of law ; one represents national individualism, the other national socialism.¹

The second conception takes us along the road towards internationalism. The kernel of the word 'internationalism' is 'nation' ; it has, however, been frequently misused in the sense of cosmopolitanism. Herein has lain the weakness of the so-called international movements of the past. They have ignored the nation, yet the slowly evolving 'international' bonds and interests are too new and too insecurely grounded to overshadow a national tradition and outlook whose roots lie in long-past centuries. The existence of national differences is to be measured in centuries ; class differences, for example, in the sense we understand them to-day, vivid as they may be, are to be measured only in generations. To say this is not to deny the existence of deep-rooted class antagonisms ; it is merely to state a fact. The solidarity of labour has melted away before the flames of national sentiment, not because the breach between labour and capital in the various combatant countries has been permanently healed, but because other questions deemed to be of greater and more fundamental significance have been brought to an issue. In the eyes of the German workman the Russian menace threatens all he holds dear, and might take away even that which he hath, destroying for generations even the hope he has of ultimate economic emancipation. To the British workman, militarism on the war-path is a more immediate danger and a greater peril than capitalism ; German domination would rob him of much that he prizes. In other words, the community is greater than any single aspect of it ; national life is greater than its industrial side. In the present war of nations internationalism has succumbed to nationalism. Deliberately,

¹ The competitive theory is well summarized by von Bülow : ' But it is a law of life and development in history that where two national civilizations meet they fight for ascendancy.' ' In the struggle between nationalities one nation is the hammer and the other the anvil ; one is the victor and the other the vanquished' (*Imperial Germany*, p. 240).

the working-class movements of this and other countries taking part in the war have placed the national cause before international movements. It may be urged that they have done this in order to bring internationalism a step nearer; but the point is that internationalism has not saved Europe from war, because national feeling has overcome it.

Internationalism will never be realized so long as it is based on the individual, ignoring the intermediate groupings in society, the municipality, the nation, &c. In the governance of the world many intermediate groupings will be necessary if elasticity and full opportunities for expression and development are to be possible, and in no other way can a noble civilization be realized. The State is an important link in the chain. 'Without Country', said Mazzini, 'you have neither name, token, voice, nor rights, no admission as brothers into the fellowship of the Peoples. You are the bastards of Humanity. Soldiers without a banner, Israelites among the nations, you will find neither faith nor protection; none will be sureties for you.'¹ And again: 'In labouring according to true principles for our Country we are labouring for Humanity; our Country is the fulcrum of the lever which we have to wield for the common good. If we give up this fulcrum we run the risk of becoming useless to our Country and to Humanity'.²

The nation, therefore, need not be a barrier to wider union, any more than a people of necessity must demand a separate State organization. Indeed, the nation is a *sine qua non* of the World-State. 'Nations', wrote Mazzini, 'are the individuals of Humanity. The internal national organization is the instrument with which the Nation accomplishes its mission in the world.'³ The special contribution of each people to civilization can be made only when there is the fullest co-operation between

¹ *The Duties of Man*, essay on 'Duties to Country'.

² *Ibid.*

³ 'To the Italians.'

them. Such co-operation is possible only when there is deliberate and concerted action, which is impossible without a stable super-State organization. National contributions to human achievements are made largely through lateral or horizontal voluntary associations cutting across nations and combining individuals of similar interests. But these associations are necessarily loose, as there is no superior co-ordinating organization above them, either to stimulate or protect them. States as such need a controlling body, not only as a final court of appeal in case of disputes, but for counsel and common action on various phases of State activity, as, for example, labour legislation.¹

But the importance of the super-State is not only as a means of maximizing the contributions of the various States to human progress and enlightenment. The nation needs the World-State as much as the World-State needs the nation. The personality of the individual is developed through free and full co-operation with other individuals. A nation cut off from the rest of mankind must lose its youth and its vigour; nations meeting in a warring world of nations lose the benefits of friendship and co-operation, and gain only the intense individualism and selfishness of competition. When nations are at war, the civilizing influences they are capable of exerting to each other's benefit are thrust into the background. Even in times of peace but little of the seed sown by a nation is harvested by the others, for there can only be ignorance where nations or individuals meet with a barrier of hostility

¹ The problems involved in the relations between States have never been fully worked out, whilst the intricate question of the relations between voluntary cosmopolitan organizations, States, and the super-State, is an entirely unworked field; yet the attainment of certain common standards amongst different peoples depends largely on voluntary associations and the status they obtain in the world. The general recognition of these common standards is indispensable to progress. For example, as the world becomes more and more a single economic unit, the existence of inferior industrial conditions in some States may be a serious drag on the further elevation of industrial conditions elsewhere.

between them. Until the World-State is realized the finest blooms of nationality will waste away.

The day of the World-State is far distant; it will be a slow growth, just as the State has been of slow growth. At first, as in the case of the national organization, its functions will be confined to the maintenance of order and dispensing of justice¹; that is to say, its first form will be that of a Court of Arbitration, it may be with its own police system; for the first need of the world is peace. But with the establishment of order among the nations will come a desire for co-operation, which will drive the World-State to new and wider duties. In what ways it will come, or what form it will take, it is impossible to say, but the experience of the nations will have been in vain if it destroys and does not extend their freedom and their possibilities of fruitful development.

One thing the war has done: it has set people thinking over neglected problems, and it has given a great impetus in the direction of a closer understanding between States, based on a realization of the value of national freedom and national sentiment; whatever form this may take, it is certain that the old order is changing.

“The perform’d America and Europe grow dim, retiring
in shadow behind me,
The unperform’d, more gigantic than ever, advance,
advance upon me.”

ARTHUR GREENWOOD.

¹ Cf. ‘Where there is no common power, there is no law: where no laws, no injustice’ (Hobbes, *Leviathan*, chap. xiii).

THE DISCREDITED STATE

THOUGHTS ON POLITICS BEFORE THE WAR

It is perhaps not an untrue saying, that the State has generally been discredited in England. Indeed, foreign lawyers have been known to say that the State has never existed in England. Notions of *imperium* and *majestas* have not flourished in these islands, except in the Byzantine days of Henry VIII. Austin, who, one is told, was not particularly skilled in English law, and could blunder shockingly in Roman law, may have theorized about *majestas*; but his own difficulties in fitting his theory of sovereignty into the framework of English politics seem to show that it is fairly remote from the *genius loci*. A sovereign and majestic State, a single and undivided *imperium*, lifted above the conflicts of society, neutral, mediatory, impartial, such as Hegel conceived and such as German theorists still postulate—this we have not known. Our State is on its executive side a bundle of officials, individually responsible for their acts, and only united by a mysterious Crown which is responsible for nothing and serves chiefly as a bracket to unite an indefinite series of 1 + 1 + 1. Our State on its legislative side, as Hegel told us a hundred years ago, is no pure State, emancipated from society: it is trammelled in the bonds of *bürgerliche Gesellschaft*; and our legislature, composed of members of this society, ‘sacrifices objective freedom or rational right to mere formal freedom and particular private interests’ (*Philosophie des Geistes*, § 544).

With a bracket-enclosed bundle of officials, and a socially trammelled legislature, we cannot have a State, a German will say; or if we have a State, it can only be discredited. History cannot elucidate, but it may at any rate illustrate,

this discredit. Let us take three illustrations. The feudal baronage of the days of Magna Carta were good syndicalists—and indeed the best syndicalists throughout history have been the upper classes. For organized labour like theirs they felt that the State had no message. They asserted a right of striking against the State: they claimed a class-privilege of legalized rebellion whenever the class-privileges which they had defined in Magna Carta suffered infringement. Their syndicalism had a good mediaeval philosophy at its back. They could appeal to contract and natural law. The king ruled on contractual terms; if he transgressed the terms which he had promised in his coronation oath to observe, they were quit of their *fides* and might betake themselves to *diffidentia*. Moreover, natural law rules the world, including States and kings; and if class-privileges are included under that elastic head, class-privilege rules, or overrules, the world of States and kings. In other words, the feudal barons were not unacquainted with the eminent dominion of natural rights.

A second illustration follows logically, if not chronologically. 1688 is no far cry from 1215. Locke speaks of property instead of class-privilege; and since we all *may* have property, he seems more universally kind. Be that as it may, he inaugurated a long period of our history. The right of property, not only in things but in persons—not only for use, but also for power—has raised its head against the State for these last two centuries. Once more contract, always inimical to the State, has served as a philosophy; and in the name of freedom of contract a great organ of freedom has had its long winter 'of discredit. But two may play with the same doctrine. The natural rights of labour may be urged as well as the natural rights of property. They are being urged to-day. This revenge of labour on property has its ironies. The worst of the natural right of property was its want of logic. While it claimed immunity from the State, it could

only exist by the protection of the State. Its motto was, You must keep your hands off me ; but you must stand in front of me. Labour has learned its lesson from property ; and with an almost equal want of logic, perhaps the more pardonable because it has good precedent, it claims immunity from the State for its trade unions in the same breath that it demands recognition by the State of the natural ' right to work '.

A third illustration touches different ground. Men may claim not a mere natural right to privilege, or property, or work, but a right divine to worship free. Robert Browne, of Corpus Christi College, Cambridge, had little use for the Elizabethan State. Henry Barrow, of Clare, was of the same way of thinking. Congregationalism, which ranks these two Cambridge men among its founders, simply turned its back on the State. Calvinism, in one sense more drastic, in another sense more complacent, recognized the State, but made it the organ of a spiritual consistory, and enlisted its secular arm for enforcing the final judgements of an ecclesiastical tribunal. It is Congregationalism, however, and not Calvinism, which has influenced English political thought most deeply. The first and most striking agent of that influence was Sir Harry Vane, Milton's contemporary. Vane, taught by his experience of religious intolerance in America, had early come by the principle of ' soul-liberty ', which Roger Williams, father of toleration, had made the basis of his community at Providence in 1636. Soul-liberty, Vane urged, was exempt from and higher than the State. ' Magistracy ', he wrote, ' is not to intrude itself into the office and proper concerns of Christ's inward government and rule in the conscience ; but it is to content itself with the outward man, and to intermeddle with the concerns thereof in reference to the converse which man ought to have with man.' The doctrine may seem to us trite and conservative ; it was new-minted and radical to an age which thought in terms of the one society, the

church-state, whose membership was compulsory, and whose rules, alike the ecclesiastic and the politic, were equally binding on all its members. Milton celebrates Vane as a new Cortez who has seen a new Pacific :

To know

Both spiritual power and civil, what each means,
What severs each, thou hast learned, which few have done.

Believing that the individual can never forfeit to the State his soul-liberty, Vane equally believed that the community can never alienate its own inherent if limited sovereignty. The responsibility of each individual for the saving alive of his own soul, the responsibility of each community for the determining of its own life, these are the two divine burdens of humanity. No wonder that Vane's philosophy had a deep influence on T. H. Green, who had a notable sympathy for English Nonconformists. Vane said on the scaffold, ' The people of England have long been asleep. I doubt they will be hungry when they awake.' ' If the people of England should yet awake and be hungry ', Green writes, ' they will find their food in the ideas which, with much blindness and weakness, he vainly offered them, cleared and ripened by a philosophy of which he did not dream.'

English Nonconformity has been the main influence in the discrediting of the English State, just because it has been the noblest. Antigone has confronted Creon these 250 years with the declaration that his mortal decrees were not so strong as to outspeed the unwritten and unfailing law of God. The pity is that our English Antigone has had Midas for her ally. For the Nonconformist defiance of the State has been confirmed and corroborated by the defiance of the economic man, with his appeal to the unwritten and unfailing law of free contract and free competition. Our two distinctively English products in the sphere of the mind—and we may take these to be Nonconformity and political economy—have

been shrewd enemies of the State. It is curious to notice that he who wrote *The Man versus the State* was reared in Nonconformist circles and nourished on political economy. It was for a paper called the *Nonconformist* that Herbert Spencer wrote his first essay on politics—*The proper sphere of Government*: it was in the agitation against the Corn Laws that he first took any active part in politics. And the whole assumption of the validity of natural rights which Spencer so largely drew from these two influences is an assumption that still lies at the back of ordinary English thought and prejudice. Few Englishmen might know what you meant if you spoke to them of natural rights; but most Englishmen believe in natural rights. Professor Halévy, a close observer of things English, noted, in a recent letter to the writer, that ‘the old eighteenth-century idea, exploded as it is, of the abstract rights of the individual is quietly gaining ground in the world of actual English politics’.

The measure of the ground gained is the number of the new ‘isms’ that are current. Their number sometimes surprises, and men feel that they live in new and unstable days. The quiet Victorian peace of the last half of the nineteenth century has perhaps lulled us into forgetfulness. But there were many ‘isms’ abroad in the tumultuous years between 1789 and 1848; and there were ideas spreading even in the years of Victorian peace which are now sown broadcast. Two of these—Tractarianism and Marxianism—suggest some reflections. They have in some sense taken the place of the old Nonconformity and the old economics in resistance to the State. Curiously enough Nonconformity is now if anything conformist. It is Elizabethan: it will enforce a State definition of religion by State machinery in elementary schools. The real Nonconformist of these days is the high Anglican. Ever since 1833 he has felt the claim and urged the rights of the Church of his conception against the State and its menace. He has felt that his Church is a substantive body independent of the State,

with its own origin in divine foundation, its own continuity in virtue of apostolical descent, its own rights in virtue of its origin and continuity. Newman wrote to his fellow clergy in the first Tract for the Times: 'A notion has gone abroad that [the people] can take away your power. They think they have given and can take it away. . . . Enlighten them in this matter. Exalt our holy fathers the bishops, as the representatives of the Apostles . . . and magnify your office as being ordained by them to take part in their ministry.' Here the protest is not the protest of Roger Williams for individual soul-liberty: it is a protest for group-liberty. And Marxianism, a philosophy which probably owes much to English inspiration, and certainly owes something to the inspiration of Thomas Hodgskin, indicates a similar change. The economic defiance of the State is no longer the individualist claim of the economic man for *laissez faire*: it is the cry of class consciousness, the collective voice of Labour. Interpreted and expanded by Sorel, Marxianism urges the need for the liberty of the proletariat consciousness and culture from the contamination of the bourgeois State, just as Catholicism demands the freedom of religious consciousness and the religious idea of life from the coercion of the secular State. Nonconformist soul-liberty and economic individualism have both surrendered the defiance of the State to new challengers. The challengers are now groups, challenging in the name of groups; but the challenge is still there.

The English State is thus accustomed to discredit. And to tell the truth it has never sought to take great credit to itself. It has not magnified its own office, or exalted its own dignity. It has left its officers to be responsible for their official doings to the ordinary courts and by the ordinary rules of the common law. Habeas Corpus enables the judges to review any act of the executive which has resulted in the imprisonment of a subject. No official can swell with pride as the embodiment of the

State, or boast that the clothes he wears distinguish him from his civic brethren. Our forefathers at the end of the seventeenth century would not even allow the State, in the shape of the Crown, to contract our National Debt. The National Debt is owed, and the interest on the National Debt is paid, by 'the Publick'. While law has not been tender to the State, it has been tender enough, intentionally or no, to all manner of groups. Here we touch on that peculiarly English thing, the Trust. The State replied to Nonconformist defiance, at any rate in the eighteenth century, by turning the other cheek. For one thing it passed annual Acts of Indemnity to secure those Nonconformists who had violated its laws by taking office without the due subscription; for another, it permitted the conception of trust to shelter Nonconformity in possession of its chapels and funds. The trust, as Professor Maitland has shown, preserved religious liberty. And the trust has also served trades unions. It has permitted them to accumulate and to hold the funds without which their activities would have been impossible. It may indeed be urged that the trust has sheltered group-life more fully than any legal recognition of the 'real personality' of groups could have done. Hidden behind their trustees, groups have thriven and grown unnoticed. The recognition of their real personality would have meant their coming more fully under the public eye; and the public eye might have refused to wink at the doings of bodies which it could see, while it never even blinked at the activities of groups which were hidden by the screen of trust.

Nor have groups merely flourished in our country under the shelter of trusts. They have flourished anyhow and anywhere. England is a place where they seem always to have been budding and maturing. In this clubable country groups and associations are always arising freely and acting as freely. We have thrown off in an easy and light-hearted way groups like the East India Company,

which, as we may read in our statute book, can have financial transactions with the English 'Publick' as an independent entity, so that in 1786 the Public stands indebted to the Company in a sum of more than four millions. In the same easy way this English State has thrown off groups like colonies, which manage to combine independence with allegiance; and within her own borders she has thrown up those associations called parties, which are well within the State, and yet so far from being altogether under the State, that they have a habit of taking the State in tow and 'running' it after their own devices. Nonconformist bodies, trades unions, great semi-sovereign companies, self-governing colonies, political parties—they have all budded freely, matured easily, and gone very much their own way. In some ways England is not unlike the University of Oxford—or for that matter any other amoeba. She can throw off by a ready process of fission colleges and delegacies; and some of these delegacies may even take to running the *universitas* itself.

It is curious that, while English thought and practice have never been particularly favourable to the claims of the State, two Englishmen, Hobbes and Austin, should have been preachers of a doctrine of *majestas* which recognizes and, one may almost say, consecrates those claims. The doctrine has a long history, and its history proves that it is not of English origin. As stated by Austin it runs as follows: 'Every positive law, or every law simply and strictly so called, is set by a sovereign person, or a sovereign body of persons, to a member or members of the independent political society wherein that person or body is sovereign or supreme.' In other words, all laws are the fiat of a sovereign; all sovereigns are persons or bodies of persons of a determinate character; each independent political society has one and only one such person or body of persons; and every such person or body of persons has indeterminate or unlimited power.

This is a theory of an admirable simplicity ; but it is not the theory of Bentham, who recognizes the possibility of a limited sovereignty ;¹ it fails to square with the facts of English political life and structure ; and it is, one may suspect, French in its immediate and perhaps papal in its ultimate origin. In the eighth chapter of his first book, the French legist, Bodin, defines *majestas* as *summa in cives ac subditos legibusque soluta potestas*. This majesty is the *differentia* of a State : ‘ a state transcends a corporation by the fact that it embraces a multitude of citizens and towns within the protection of the majesty of its power.’ For support of the transcendence and omnipotence of this majesty Bodin appeals, and very naturally appeals, to the supremest of all sovereigns, the papal chair. Innocent IV, he writes, ‘ who understood best of all men the rights of sovereignty, and who had put under his feet the authority of almost all emperors and Christian princes, said that supreme power belongs to him who can take away from ordinary law’. It is indeed the high papal view of the *plenitudo potestatis* which really inspires Bodin, as Bodin inspires Austin. As the Papacy is the *fons et origo* of the government of the august commonwealth of Christian men, so the sovereign is the ἀρχή—the ἀρχή in both senses of the word—of the public conduct of the members of each independent political society.

A modern clerical writer—inspired by the teaching of Acton, who fought papal infallibility, and stimulated by the writings of Gierke, who champions the real personality of those corporations relegated by Innocent IV to the

¹ Cf. the *Fragment on Government*, chapter iv, §§ 34–6. ‘ What difficulty there should be in conceiving a state of things to subsist in which the supreme authority is thus limited [by an instrument of convention, setting assignable bounds to its power], what greater difficulty in conceiving it with this limitation, than without any, I cannot see.’ Bentham, writing in 1776, thus anticipated, more than ten years in advance, the principle of the United States Constitution. (I owe this reference to the kindness of Sir F. Pollock.)

category of *fictae personae*—has set his lance against this high and dry doctrine of sovereignty. Dr. Figgis, representing those tendencies of advanced Anglicanism which have been mentioned before, has written more than one philippic against the Innocentine and Austinian notions of sovereignty. If one looks at the ecclesiastical community in itself, the Innocentine notion is fatal to the true federal character of the Catholic Church; if one looks at the ecclesiastical community as engaged in the life of a State, the Austinian notion is destructive of the rights of that community, because it is fatal to the true federal character of the State, through whose recognition alone the rights of its component communities can be preserved. Advocating a federalistic view alike of the Catholic Church and of the State, Dr. Figgis ingeminates the phrase ‘inherent rights of associations’. He returns, in a word, to the old idea of natural rights, but he resuscitates that ghost by giving it blood to drink—the red blood of real corporate personality. It is in the name of real group-persons that Dr. Figgis can renounce the doctrine of an ‘omnicompetent State’ confronting and controlling a ‘sum of atomistic individuals’; it is in this sign that he will victoriously instal the doctrine of a partially competent State of a federal character, embracing in a kind of co-partnership—and not, as Bodin says, in the transcendent majesty of power—real groups which have also their competence in their sphere.

II

The problem of resistance is in actual life always a problem of groups. Theorists may set limits to the State in the name of the individual; practical resistance is always a matter of group-consciousness. What is a group? Has it a personality beyond the persons of its members, and a will beyond their wills? Maitland, following and interpreting Gierke, has answered that ‘the fellowship is a real person, with . . . a will of its own’. Professor Geldart,

in an inaugural lecture on legal personality, cautiously writes that 'there seems to be at least a *prima facie* case for holding that our legal theory ought to admit the reality of a personality in permanent associated bodies, or at least of something so like personality that we may provisionally call it by that name for want of a better'. The problem is perhaps the simplest and most terrible of all problems. It is the problem of universals: the problem of identity and difference. It is as easy for a mind without the philosophic compass to drift into the *res praeter res*, and to see all identity, as it is to run up against the *nomen de rebus*, and to see all difference. Perhaps neither fits the facts; perhaps the Identical, in this matter of groups, is neither a real person nor a nominalist fiction. Let us call it an idea, and see into what dim port we drift with that pilot. William of Wykeham had an idea, somewhere about 1378; to-day there is a group, or fellowship, of St. Mary College of Winchester in Oxford, and this paper has been written in a room that belongs to this idea, and its writer is somehow, being Fellow of Wykeham's college, related to this same idea. What has happened is that this idea has entered into a continuous succession of persons. They have retained their personality, but they have coloured their personality with the idea: a new personality has not arisen, but a new organizing idea has served as a scheme of composition for existing personalities. We have it on Aristotelian authority that the State is the same as long as its scheme of composition is the same. Its identity resides not in any single transcendent personality but in a single organizing idea permeating simultaneously and permanently a number of personalities. As for the State, so for all fellowships; there may be oneness without any transcendent one. We may alter our organizing idea; we may turn a tragic chorus into a comic chorus. We do not kill a personality that existed before, or create a personality that did not exist before: we alter our organizing idea.

Law has to bring these permanent and organizing ideas, which unite persons together in lasting schemes, under some rubric or title—trust, contract, *persona ficta* or real person. The rubrics of law are not reality; they are cases in which to put reality; but the cases may fit reality well or badly, and since reality has a way of growing, they may help or hinder its growth. Apparently the cases called trust, contract, and *persona ficta* all hinder growth, and cramp the living texture of reality within the limits of a rigid trust-deed, or a hard bond of contract, or a limiting charter of delegation such as must go to the creation of a *persona ficta*. Much may be said for the rubric of real personality as a rubric of the lawyers and for the lawyers; and much might be said in this connexion on a fascinating problem—how far legal categories are created by the demands of social growth, and how far legal categories create or rather determine social growth itself. But to the plain man the simple necessity is the necessity of preserving the organizing idea fresh and growing, freshly apprehended as a motive by each mind in the organization, and freely growing with the growth of mind, as a wider outlook discovers fresh implications and fresh relations of the idea. Ideas have their pathology; and they suffer from two main diseases. They may become mere bundles of blue paper swathed in red tape: we may have trust-deeds in lieu of ideas; and the religious idea itself, which is the true and only unity of any Church, may pass from an idea to a creed, and from a creed to an empty formulary. Again, they may become office chairs and organizing secretaries. This is the tragedy that is always enacted when an institution becomes mere officialdom, or a Church mere sacerdotalism. Great is the magic of office chairs, and the hard-driven word organization too often covers an ample paucity of ideas. But we need not escape blue paper and office chairs by flying to real personalities which are perhaps, in any other sense than that of legal categories, the ghosts

of imagination. Ideas are, and are not fictions: they have hands and feet; but they are not persons, any more than they are fictions.

We may eliminate personality and will—transcendent personality and transcendent will—from associations; we may be content to speak of associations as schemes in which real and individual persons and wills are related to one another by means of a common and organizing idea. We may conceive the State as such a scheme based on the political idea of law and order; we may conceive it as containing, or at any rate co-existing with, a rich variety of schemes based on a rich variety of ideas. We are all members of the one scheme and partakers of the one idea; most of us are also members of many other schemes, and partakers of many other ideas. The ideas are in relation to one another; perhaps they are in competition with one another. If it is so, it is a competition of ideas, not of real collective personalities. To apprehend this point of view is already a certain gain. We are rid of the idea of an internecine struggle between the real personality of the State and the real personality of other groups. We cease to feel murder in the air. Real ideas cannot be killed: they can only die by the suicide of their own excess, or the slow internal decay of their own life. Again, when we talk of real persons, we attach to them an intrinsic value as such, because we feel that all personality has value. At that rate we should see value in the Mafia¹ or Camorra. If one talks rather of ideas, one can keep something more of critical poise. One can argue with ideas: one can show that they are partial or erroneous; one can deflate a bubble idea with a prick of logic.

¹ It is curious to note that the word Mafia is applied both to the organizing (or disorganizing) idea, and to the society which it unites. Dr. Murray defines Mafia as 'the spirit of hostility to the law and its ministers prevailing among a large portion of the population (of Sicily) . . . also the body of those who share in this anti-legal spirit'. It would seem that the Sicilians are good enough philosophers to give the name of the organizing idea to the society which it constitutes.

But the problem remains to be faced—if not to be solved, for it is perhaps theoretically insoluble—whether there is any graded hierarchy of associating ideas, and whether we can ascribe sovereignty to one associating idea. A passion for the *reductio ad unum*, such as inspired the *De Monarchia* of Dante, may urge us to seek a dominant One; and finding that One in the associating idea of the political community, we may speak of the sovereignty of public opinion. We may urge that there must be a single source of adjustment to determine the relations of associating ideas one with another, to criticize each scheme of associations on its merits, to abolish associating ideas that are dead, to reinvigorate associating ideas that are dormant. Whether empirically or theoretically considered, the matter is by no means easy. Empirically we may see that other associating ideas than that of the political community have claimed, and—what is more important—have received a final and absolute allegiance. This is most conspicuously true of the religious idea, which political theory has a way of neglecting. The final allegiance of the thorough Romanist lies with Rome, and not with Westminster. The allegiance of Sir Harry Vane, ‘in the office and proper concerns of Christ’s inward government and rule in the conscience’, lay not with the magistracy, nor even with the sacerdotaly, but with the indwelling Christ. The mediaeval world knew no unitary political sovereignty. Mediaeval thinkers might indeed conceive of a final and ultimate law of nature, whether as an ‘indicative law’ and the dictate of reason as to what is right, or as an imperative rule and the will of God; but just because they ascribed sovereignty to this law of nature, insomuch that all laws and all executive acts contrary thereto were *ipso facto* null and void, they could not and did not ascribe any sovereignty to a political superior. It was possible for the associating idea of the feudal privilege of a class to erect itself into an ultimate value, and to claim and exercise the right of legal rebellion

against the authority of the State. The conception of an ultimate State Sovereignty entered England with the Reformation. Its zenith is the year 1539, when Parliament ascribed to Henry VIII's proclamations the force of law, and by the Act of the Six Articles took the very ark of the religious idea itself into the sphere of its regulation. But State Sovereignty was shattered by Nonconformity and shot-ridden by the Great Rebellion. And if to-day some may see a new Henry VIII in the guise of a sovereign public opinion, the syndicalist will none the less claim exemption from the bourgeois State for his idea of class, the nationalist will claim immunity from the denationalized State for his idea of the nation, and the right hand of the churchman will lose its cunning if he forgets Jerusalem. Even a quiet and cautious scholar like the President of Harvard will tell us in his last book that public opinion, which is in effect the opinion of the majority, is only dominant within the sphere of those things in which the minority will voluntarily consent to the decision of the majority, and that outside this sphere there lies an area of issues which a prudent State will never raise, because it is impotent to decide.

Public opinion, the associating idea of the political community, would be uniquely sovereign if it were absolutely homogeneous. That it never is; and that, some of us may hope, it never will be. Any community is a field of competing ideas; and with the growth of mind we can only expect a richer competition. It may be urged that heterogeneity of opinion is a symptom of an imperfect community, which has never thought itself together. It may also be urged that the opposite is true. The pullulation of new organizing and associating ideas is not a sign of poverty of the mind. The formation of new idea-centres, and the organization of men round those centres, is not likely to cease. One may rejoice as well as grieve to see Ulstermen and Irishmen, labour-men and churchmen, swarming after new guiding ideas to new hives. The

apiarist is troubled: he wants all his bees in his own private orchard. But there is something to be said for the bees. Their guiding idea may be imperfect. It may contain a narrow and imperfect synthesis of data; and the nationalist idea, for instance, may lead men to seek a life that is narrow and poor in comparison with the wider and richer life of a great culture-state. But ideas have also to be measured by their effects on persons—in a word, if a very loose word, by their subjective value. An idea may be one-sided, but it may enlist the whole personality in its defence as nothing else could. If it does, it has after all its value as a vital and energizing factor for the individual. One defends democracy not as a form of government but as a mode of spiritual expression—an eliciting and enlisting force, which draws from us energies of thought and of will which we should never otherwise expend. The same defence may also cover this sphere. And there is another thing to be said. Admitting for the moment that the State idea is the broader and wider synthesis, it may, just because of its breadth, be an imperfect synthesis, which only achieves success by neglecting factors for which it should find room. It may be a forced and bare universal, purchased at the cost of many of its individuals. The very attempt of factors which conceive themselves neglected to push themselves forward as absolute wholes on their own account may serve as an incentive to a truer synthesis. If bare unitary sovereignty is, as it seems to be, such a forced and bare universal, we should only rejoice in its practical criticism by the logic of fact.

III

On what lines men may achieve, if ever they can achieve, a single associating universal, it is difficult to see. Churches, at any rate, seem likely always to be recalcitrant elements. As things now are, the high Hegelian unification seems at least premature. When Hegel tells

me that 'the being of the State (on its objective side) is the in-and-for-itself universal', and that yet 'the State, as self-knowing and self-acting, is pure subjectivity and *one individual*'; when I hear that I, 'seeking to be a centre for myself, am brought by the State back into the life of the universal substance'—I throw up my hands. When I take things as I find them, I cannot see that universality, sovereignty, call it what you will, is the unique property of any one association. Other times, other fashions; and again *tot sententiae, quot societates*. At different times different societies may claim a final allegiance; and at one and the same time two or more societies may tug at the same heart-strings with equally imperative demands. No associating idea seems to engulf the whole man; and any man may have to face that solemn conflict of duties, which his membership of two different societies, his divided allegiance to two divergent ideas, may at any moment awake. There is no set solution of the dilemma. One is thrown back on the leaden canon of Lesbian builders—'for the canon of the indeterminate is itself also indeterminate'. Either way one seems bound to lose. Whether one unsheathes the sword for the idea of the political society—the idea which requires as its bare minimum the observance of law and order—or for the idea of the other and rival society of religion, or nation, or class, the thumb is turned down against the gladiator. Either the pains and penalties that attend outraged law and order, or the ostracism or excommunication which attends desertion of the other group.

The prospect seems desolating. And most of us are not Childe Rolands, nor do we come to the dark tower. From anxiety and suspense, from the condition of unstable equilibrium, we deliver ourselves into the obvious and primrose path towards the greener valleys of law and order. *Quod principi placuit legis habet vigorem*. No associating idea, we may comfort ourselves, can have absolute validity or inherent right save one. Men who live

together in a community must have an ultimate source of adjustment of their relations. That ultimate adjusting force, itself unadjusted, gives all rights except its own; and all rights are therefore derivative, none are inherent. You may talk—and here you hit most shrewdly—of the inherent rights of Churches; but what of Mormonism? You may talk of the inherent rights of proletariat consciousness; do you also admit the inherent rights of capitalistic consciousness? You may talk of the inherent rights of nationality: what of Albania? After all, the Idea of the State is the idea *par excellence*—all-embracing, all-subsuming, all-adjusting. Other ideas are partial; other ideas need criticism and adjustment. One may praise famous associations such as did bear rule in their kingdoms; but the tyranny of the association over its own members may be greater than any coercion exercised by the State over associations; and the State may and will be an organ of the freedom of persons, which is the only freedom, if it curtails the freedom of associations, which is only a paper freedom.

Yet some may still set a lance against the State, however daunted. The State is the organ of freedom: it is also a vehicle of force. Its sphere is automatism; it does external acts to produce external results. Other associations need consent the more as they use force the less; they must act more in the spiritual sphere, and seek to supply motive ideas in order to produce spiritual reactions. Again, the State may be broader; but is it many-sided, or one-sided? It rests fundamentally on the idea of law and order in the external converse of man with man; and the cultural ideas which it has superadded, turning itself from a plain grocer's shop into a Whiteley's emporium, have not altered its foundations. And therefore it is perhaps after all no final source of adjustment. It may be that there is no other source of adjustment among the associating ideas of a many-sided community except omniscience, which we admittedly do not possess. It

may be that the State-idea is but *primus inter pares*—as ultimate as, but hardly more ultimate in the last resort than, other ideas which can quicken the pulse and fire the heart. Our universal may thus turn out to be a federal sort of thing. The State may be an educator of citizens : the Church may also be an educator of churchmen with a right of entry as such. The State may have its Westminster Parliament : the nation may also have its Dublin Parliament. The State may be an area of political action : the trades union may also be a field of political action. It hardly meets the point to urge that the Church will not have its right of entry, or Dublin its parliament, or trades unions a political levy, until the State has issued its permissive law. The State is not prior to law ; and Gierke will tell us that ‘ law is the result not of a common will that a thing shall be, but of a common conviction that it is ’. Browning can write

Justinian’s Pandects only make precise
What simply sparkled in men’s eyes before,
Twitched in their brow or quivered on their lip,
Waited the speech they called but would not come.

In a word, law, as has already been said, makes cases to hold reality, though it may affect reality very vitally by the kind of case it makes.

The Austinian notion of sovereignty is such a case. The reality it seeks to contain is the associating and organizing idea of law and order. The difficulty is that reality is wider than the case, for there are other ideas, in practice equally ultimate with this idea ; and reality is therefore cramped by its case. In foreign affairs, it is true, there is a point in emphasizing the independence or ultimacy of a determinate political authority : only upon such terms can it negotiate with any finality. Indeed, changing the venue of our metaphor, we may say that sovereignty is a lotion for external application. But it ought to be labelled ‘ Poison—not

to be taken internally'. Internally, it leads to a false view of law, which it degrades into the mere will of the sovereign. 'The human mind', Professor Wallace wrote in one of his lectures, 'must be disabused of the delusion that it makes laws.' Sovereignty fosters the delusion. Internally, again, it leads to a false unification and simplification of the rich complexity of the fact. It substitutes unitarianism for federalism, a corner in lieu of competition.

This may seem anarchism. Really it is polyarchism. And as for the problem of polyarchism—the problem of unstable equilibrium—why, after all, *solvitur ambulando*, it is likely to be settled by the needs of mere ordered life. This is the ultimate necessity; but it is not an absolute or invariable necessity. It varies with times and seasons. The sixteenth century was a time and season for *salus populi lex suprema*. Within, there was need of taming fully a still half-tamed nobility, of laying securely the red spectre of social unrest: without, nations were assuming 'the state and posture of gladiators' in their dealings one with another. Machiavelli could preach the State ultimate, the State undivided: he could warn his new prince that he would 'often be forced, in order to maintain his state, to go to work against faith, against charity, against humanity, against religion'. Years of ordered life have permitted the germination of other ideas than the indispensable minimum idea of law and order; they have brought us polyarchism for monarchism. If the indispensable basis of law and order has been well and truly laid in sound hard concrete, it is all for the good. If that basis is not secure, if the building of our common life shows cracks and signs of subsidences, if the enemy without should see a gaping opportunity for his battering-ram, the cry of 'Back to law and order' will be great, and will prevail. Perhaps the hour is not yet. But if it should strike, there is no fear for the State, or for the idea of law and order. There is rather fear for other societies, other ideas. The idea of law and order, when it

is roused, is one of the cruellest things in history. Think of the suppression of the Parisian Commune in 1871.

The discredit of the State is a sign that it has done its work well, and is doing its work well. When the judge gets white gloves at assize after assize, we can afford to think of putting up the shutters of the jails. The State will come into credit again, with a rush, at the double, as soon as it is seen to be doing its work badly. In the use of my private income I like to support charity and all manner of good causes. If it comes to a pinch, I have to say to myself, as somebody said to Napoleon, 'It is necessary to live'. In our social life we are swarming hither and thither after associating ideas not only of law and order, but of religion, nation, class. If it comes to a pinch, we shall forget that we are anything but citizens. Through our mouths the State, which is nothing but ourselves organized in an ordered life, will then say to itself, 'It is necessary to live'. And there is no Napoleon to say to the State, 'I do not see the necessity for it'.

[This paper was written in May 1914. It has been left as it stood, without any but verbal alterations. It is curious to reflect how differently one would have written in January 1915. Germany has shown that the sixteenth century has not been altogether overpast—at any rate in her own case.]

And yet the fundamental questions remain, and will re-emerge when the waters abate. Meanwhile the State is proclaiming, 'It is necessary to live'. We have forgotten that we are anything but citizens, and the State is having its high midsummer of credit.]

E. BARKER.

THE UNITED KINGDOM PARLIAMENT—THE SESSION OF 1914-15

NOVEMBER 11 TO 27, 1914, AND JANUARY 6 TO 8, 1915

NOTE.—The references to the Parliamentary Debates throughout are to the unbound daily numbers.

IN the distant days before the war, a promise was given that the last session of the current Parliament would begin in the early winter of 1914. The promise was fulfilled, but in circumstances which could not have been anticipated by mortal man. It was proposed that Parliament should meet to entangle itself in the complexities of local and Imperial taxation. In the event it was confronted by the simple and direct issues of a war session.

In 1899 Parliament met of necessity in consequence of the calling out of the Army reserve.¹ It performed its requisite task of providing money, and was straightway prorogued. This may be taken as the normal type of war session. The session in the autumn of 1914 differed from the type in the fact that it was only the opening chapter of a longer and more varied session. The difference, however, is merely technical. So far as practical effects are concerned, the session might just as well have been terminated by prorogation as by the adjournment of both Houses. Private members had been precluded by resolution from exercising any of their limited rights. Private Bills can never ripen earlier than the second half of February. Every Government Bill introduced received the Royal Assent. The session was self-contained and for all essential purposes self-complete.

It might appear a necessary corollary that the chronicle of such a session must be in the main a record of things

¹ 45 & 46 Vict., c. 49.

done rather than of things said. In normal times an effective Parliament means a silent Parliament, and an active Parliament means a Parliament of small results. At the end of the session of 1914 Parliament abrogated its powers and became silent and effective. At the beginning of the session of 1914-15 it began to recover its voice and became, if not less effective, at all events less expeditious. It did what was asked of it, but it did it at a less breakneck speed. The record of things done is considerable, but the record of things said is not negligible.

There is a point at which criticism is vocal and yet is not merged in obstructive opposition. The attainment of this mean should be the constant aim of a Parliament at a time of grave national emergency. It is as superior to the necessary self-effacement of August and September, as self-effacement is superior to factious opposition. It is an ideal difficult to reach and more difficult to maintain. During this short session Parliament made an honest effort to attain it, and their effort alone is a definite gain to the country.

THE COURSE OF THE WAR

This was a war session ; yet it was singularly barren of any announcements regarding actual events. In the opening debate on the Address, Mr. Bonar Law specially asked for information in respect of the participation of the Naval Brigade in the defence of Antwerp and of the naval defeat off Coronel.¹ With regard to Antwerp, the Prime Minister contented himself with two statements: first, that whatever was done was done with the knowledge and approval of Lord Kitchener; and secondly, that the 'expedition was a material and most useful factor in the conduct of this campaign'. With regard to the Coronel action, he declined to anticipate what Mr. Churchill might have to say.² On November 16 Mr. Churchill, in reply to a question,

¹ 68 H. C. Deb. 17, 18.

² Ibid. 26-7.

stated that a true judgement on the episode could be based only on a knowledge of the dispositions of all the ships involved and of the orders under which they were acting. These, he added, it was clearly impossible to reveal. He lifted the veil only so far as to say that he had every reason to suppose that the *Canopus* was safe.¹ He adopted the same attitude of reticence when questioned about the escape of the *Goeben* and the *Breslau*,² but on the other hand he gave the House a prompt and full account of the loss of the *Bulwark*.³

On November 27, Mr. Churchill again declined to give information with regard to particular episodes, but he gave the House a cheering *causerie* on the work of the Navy in general. He specified four dangers which had been foreseen by the Admiralty: the danger of surprise at the outbreak of war, the danger of commerce destroyers, the danger of mines, and the danger of submarines. It was only to the last that he attached considerable present importance.⁴ The balance of losses was by no means unfavourable to the British Navy. The Germans, in addition to a reputable number of destroyers, have lost one-quarter of their light cruiser strength, while the British delivery of light cruisers is double that which the German yards can achieve.⁵ With regard to the battle fleet—

it is no exaggeration to say that we could afford to lose a Super-Dreadnought every month for twelve months without any loss occurring to the enemy and yet be in approximately as good a position of superiority as we were at the declaration of war.⁶

The information supplied in respect of the land campaign was even scantier. On the first day of the session the Prime Minister, while admitting the magnitude of the task which lay before the Allies, summed up the results of the western campaign in a sentence of optimism:

¹ 68 H. C. Deb. 185.

² Ibid. 1122.

³ Ibid. 1313.

⁴ Ibid. 1587-8.

⁵ Ibid. 1590-1.

⁶ Ibid. 1592.

We see them [the British Army] now in a position in which, in conjunction with our gallant Allies, France and Belgium, they have frustrated and absolutely defeated the first design of the German invader.¹

On November 26, Lord Kitchener gave to the House of Lords an all-too-brief sketch of the land operations since the beginning of October.² The sketch contained few facts which were not already known through the medium of the public press, but it gave to those facts and to certain comforting conclusions which may be drawn from them an authoritative *imprimatur*. The House was especially glad to hear Lord Kitchener's tribute to the tenacity and endurance of the French Army and to the gallantry of the King of the Belgians. The French Army 'have made notable advances at various points', but 'they have never yielded up a yard of their country since I last addressed your lordships'.³

The Belgian Army has been constantly led in the field by their King who, though hard pressed, has never yet left Belgian territory, and does not intend to do so.⁴

THE VOTE FOR MEN

It was natural that an attempt should be made to deduce the probable duration of the war from the size of the new armies which the House was asked to sanction. On November 16 the Government proposed a vote for an additional 1,000,000 men, bringing the total voted for the year (excluding Territorials) up to 2,186,000. Enormous as these figures are, compared with the normal strength of the British Army, they would not suffice for a war on the present scale indefinitely prolonged. On November 23 Mr. John Ward asked the Government directly whether, in their opinion, the additional million would be sufficient.⁵ Mr. Tennant in reply played the prophet with such

¹ Ibid. 25.

² 18 H. L. Deb. 179–83.

³ Ibid. 180.

⁴ Ibid.

⁵ 68 H. C. Deb. 654.

abundance of qualification that he may be said to have declined the invidious rôle altogether.

While the conditions of the war must necessarily change the situation from time to time, it is the official view that that number ought to be sufficient, so far as we are able to see at present, in order to crown our army with success.¹

On November 26 the Prime Minister declined to prophesy with or without qualification.²

In a House undismayed by the necessity present and future of unprecedented efforts, only one other question in this connexion assumed special prominence. This question related to the progress and prospects of recruiting. On November 11 the Prime Minister stated that of the 1,186,000 men previously voted all but 100,000 had already come forward.³ On November 17 Mr. Lloyd George informed the House that there were at the moment at least 2,000,000 men under arms.⁴ But the critics were confused by conflicting estimates from the platform and the press, while with regard to the Territorials they were left in complete ignorance. Inquiring members were left to derive such consolation as they could from Mr. Tennant's pronouncement that

it is not wise to make public the whole circumstantiality of the facts connected with the actual number of men who have enlisted.⁵

Lord Kitchener was slightly more communicative than his lieutenant, and on November 26 he informed the House of Lords that the rate of recruiting was approximately 30,000 a week, in addition to regiments raised by particular localities.⁶

WAR FINANCE

The figures relating to expenditure on the war and the methods adopted for defraying it were explained in the last number of the *Political Quarterly*.⁷ The Chancellor's

¹ 68 H. C. Deb. 661.

² Ibid. 1284.

³ Ibid. 35.

⁴ Ibid. 345.

⁵ Ibid. 663.

⁶ 18 H. L. Deb. 189.

⁷ No. 4, pp. 174-5.

statement on November 17¹—an urbane statement whose urbanity occasionally interfered with its lucidity—laid down three main principles. The first was that it is essential to follow precedent and to meet a substantial proportion of the cost of war out of current revenue. The second was that the burden should be evenly distributed over all ranks and all classes. The third was that sound finance required a pessimistic rather than an optimistic estimate of the probable duration of the war. The establishment of the first principle involved a slightly obscure personal explanation from Mr. Austen Chamberlain. Mr. Chamberlain had been the first to advocate in August a speedy effort to raise additional revenue by taxation. Since, however, proposals for taxation had not been brought forward immediately, he considered it expedient—for reasons never sufficiently explained—to defer them until the beginning of the new financial year.² With the second and third principles the House was in substantial agreement. The debateable question was whether the second was adequately realized in the proposed taxes on tea, beer, and income. Mr. Chamberlain frankly admitted that his own budget would have been very different, and that he regretted the large demand made upon a few fruitful sources of revenue.³ The Opposition refrained from pressing and even from expounding their own alternative proposals, and the chief positive suggestions in the field of indirect taxation were in the direction of duties on cocoa and mineral waters and a tax on the gate-money at football matches.⁴

An important innovation, however, in the field of direct taxation found several advocates. In his opening statement Mr. Lloyd George described how the Government had carefully considered the question of a tax upon wages, and how on account of the difficulty and probable cost of collection he had been compelled reluctantly to abandon the

¹ 68 H. C. Deb. 344 seq.

² Ibid. 373-4.

³ Ibid. 375, 603.

⁴ Ibid. 599, 625, 627, 878.

idea.¹ Mr. Watson Rutherford was vehemently opposed to this suggestion,² but rather to the surprise of the House, it was warmly received by Mr. Arthur Henderson on behalf of the Labour Party.

Since I began to study the question of direct and indirect taxation I came to the conclusion that there was only one fair way of treating the working classes, and that was to take the workman's wage, whether a day wage or for piece-work, and whether it amounted to £1, £2, or £3, and have a graduated wage-tax.³

Mr. Clynes, however, made it clear that the Labour Party would only accept such a tax upon terms—the terms hinted at being the abolition of all indirect taxes.⁴

The taxes actually imposed were accepted by the House with a good grace, if not with enthusiasm. The increase of the tea duty provoked the most varied criticism. On the Opposition side it was pointed out that tea, unlike coffee, was very largely a British product.⁵ Further, the tax did not really reach the teetotaller because the teetotaller consumes no more tea than the beer-drinker.⁶ The amount of the increase was wrong, since those who bought tea by the quarter-pound would be mulcted at the rate of 4*d.* while the Exchequer would receive only 3*d.* per pound.⁷ In connexion with the beer duty Sir George Younger convincingly showed that an extra charge to the consumer of a penny a pint would not enable the brewer to meet an extra duty of 17*s.* 3*d.* a barrel, if difficulties of credit and decrease of consumption were taken into account.⁸ Mr. Lloyd George was so far swayed by his arguments that on November 24 he proposed to the House that the figure of 17*s.* 3*d.* should be nominally maintained, but that up to March 31, 1916, there should be a rebate of 2*s.* a barrel, and from that date to March 31, 1917, a rebate of 1*s.* This concession he considered would be sufficient to enable

¹ 68 H. C. Deb. 356–7.

² Ibid. 620.

³ Ibid. 600.

⁴ Ibid. 634.

⁵ Ibid. 378.

⁶ Ibid. 378, 618.

⁷ Ibid. 599, 629, 962.

⁸ Ibid. 585 seq.

the trade to adapt themselves to the new conditions.¹ Lastly, the income tax was discussed mainly from the point of view of those whose income had been seriously diminished as a direct result of the war.² In his original scheme Mr. Lloyd George proposed certain alleviations to meet these hard cases, and the debate failed to convince him that these would be insufficient.

The information given by Mr. Lloyd George with regard to the conditions of the War Loan was public property before it was announced to the House, but a statement as to the success of the issue was awaited with much interest and some impatience. This statement was finally made on November 27, and made, by a curious perversion of procedure, on a motion for the recommittal of the Government War Obligations Bill. The Chancellor was at least determined not to oppress the House with a mass of details. He merely stated that the loan had been over-subscribed

without any of the expedients to which Germany had to resort in order to raise a much smaller loan at a higher rate of interest.³

He also held that if the Stock Exchange had been open the loan would have been subscribed many times over.⁴ The chief feature of the issue was the large number of small applicants. They totalled nearly 100,000 as against the 21,000 small applicants for the South African War Loan.⁵

On the same occasion Mr. Lloyd George gave a general account of the financial crisis, of its causes and of its cure. His exposition was of a technical character, but it made many things plain to those who are not versed in the mysteries of high finance. If intricacies be left on one side, his speech may be resolved into two main propositions. In the first place, the crisis was not due to British inability to honour British liabilities.

It was due entirely to the fact that those abroad did not pay Great Britain. I think that it is very important from the point

¹ Ibid. 946.

² Ibid. 861, 865, 886.

³ Ibid. 1540.

⁴ Ibid.

⁵ Ibid.

of view of British credit, to have that thoroughly understood, for when the moratorium came and there appeared something like a failure of British credit, it was not a British failure at all. It was because we could not get remittances from other countries.¹

In the second place, the measures taken at the opening of the war had been completely successful.

By these steps the unimpeachable character of the British bill of exchange has been maintained, and a financial catastrophe, possibly the greatest the world had ever seen, has been entirely averted.²

It is greatly to be regretted that a large part of what should have been an important and interesting debate was occupied with a discussion of the personal merits of one particular financier.³ Mr. Chamberlain, however, had an opportunity of expressing his personal opinion that the Government had taken upon themselves rather more than the situation required. He added, however, that in the circumstances it was far better to err by giving too much assistance than by giving too little.⁴

PENSIONS AND ALLOWANCES

Three subjects, in addition to finance, occupied the attention of the House to a conspicuous degree. The first of these was the question of pensions and allowances to the dependants of soldiers. The fundamental difficulty of the subject was pointed out by Mr. Long on November 12. It is the difficulty arising from the different economic status of the men who have given up civil employment to join the new armies. Clearly the sum which would suffice to maintain the normal standard of living in a labourer's family could not maintain the normal standard of a family whose earnings amount to £4 or £5 a week.⁵ The War Office, however, must adopt a uniform standard, varying only in accordance with the man's military rank.⁶

¹ 68 H. C. Deb. 1519.

² Ibid. 152

³ Ibid. 1506 seq., 1524 seq.

⁴ Ibid. 1541-2.

⁵ Ibid. 57 seq.

⁶ Ibid. 58.

The first requisite, therefore, is to strike an average which is neither ungenerous to the more prosperous families nor unduly lavish to the less prosperous. There was a general opinion that the scheme set out in the White Paper¹ was inadequate, despite the Prime Minister's assertion that

the scale put forward on behalf of the Government is not merely more liberal than any scale we have been accustomed to in the past in this country, but it is almost immeasurably more generous than the scale that prevails in any other country of the belligerents engaged in this war.²

Mr. Bonar Law took an early opportunity to suggest that the whole question of amount should be reconsidered by a small and authoritative Committee.³ The suggestion was carried into effect, but none the less there was a prolonged debate on the motion for the Committee's appointment.⁴ It is a dangerous matter to discuss money allowances even during a political truce, for no member likes to appear deficient in generosity towards those who are making sacrifices for their country. On the whole, however, there was a remarkable reluctance on the part both of individuals and of parties to enter into competition with one another in the lavishness of their promises. On the other hand, the debate was fruitless in that it failed to produce any definite declaration from the Government. The one point made abundantly clear was this: that whatever scale might ultimately be adopted, it would be necessary to supplement it, in the case of the more costly homes, by grants from a voluntary fund on the lines of the Royal Patriotic Fund Corporation.⁵ Only so could a family enjoy financial relief in some degree proportionate to their financial loss.

A large part of the debate was concerned with the question of machinery, as distinct from the question of

¹ Cd. 7662.

² 68 H. C. Deb. 469.

³ Ibid. 23.

⁴ Ibid. 437 seq.

⁵ Ibid. 443, 449.

amount. Undoubtedly there have been cases of hardship, cases in which a wife has been left for weeks and months together without any payments at all.¹ Mr. Harold Baker, on November 12, gave some account of the 'enormous variety of human error' with which the War Office has had to contend, apart altogether from the mere increase of numbers. He spoke of letters which bore no address, of marriage certificates sent in without a word of explanation, of men who described themselves on enlistment as unmarried, and of others who failed to declare their children.² He contended, however, that the existing machinery had adapted itself to the altered circumstances and was now working satisfactorily—a view which was greeted with marked expressions of dissent in all quarters of the House.³

ALIEN ENEMIES

The question of alien enemies in the United Kingdom is just as difficult as that of pensions, and it produced far more heated debates. The heat was due in part at least to personal qualities, for the Opposition are not handicapped by excessive tenderness for Mr. McKenna, and Mr. McKenna himself is not slow to respond to the sting of criticism. For convenience of debate the question was made the subject of an amendment to the Address, though there was of course no intention of pressing the amendment to a division.⁴ The complaint against the Government was twofold—first, that their policy had not sufficed to check espionage; and secondly, that the policy had been fluctuating and indeterminate. The first point was difficult of proof. Instances were indeed quoted, notably by Sir Henry Dalziel.⁵ But individual cases cannot be followed up in debate, and Mr. McKenna had little difficulty in avoiding a clear issue on this aspect of the question. The Prime

¹ 68 H. C. Deb. 62.

² *Ibid.* 69–70.

³ *Ibid.* 67.

⁴ *Ibid.* 17.

⁵ *Ibid.* 117–8.

Minister, on the other hand, was careful to claim that all those who had previously been suspected of espionage were now in custody.

But of course [he added] the ramifications of espionage are infinite. It is a great mistake to suppose that, if you were to put under lock and key every German in this country, you would necessarily have got rid of the danger of espionage. At the best it could but be a partial measure.¹

The Prime Minister admitted the fluctuations of policy, and boldly asserted that he was not ashamed of them.² Mr. McKenna, on the other hand, was most concerned to show that he and the Home Office were not responsible. Within the metropolitan area, indeed, he could arrest on suspicion, but outside that area it was the chief constable's duty to take action.³ Internment, again, was entirely a matter for the military authorities.

The Home Office interned Germans, released Germans, stopped interning them, renewed interning them, ceased again from interning them, in accordance with the recommendations of the naval and military authorities. All my function, when I get that recommendation, is to arrest and hand over the person for internment to the naval or military authority.⁴

Mr. McKenna indeed seemed far more intent on evading criticism than on justifying a policy. His attitude was not particularly acceptable to the House. There were frequent demands that there should be one authority, and only one, responsible for the whole matter. Sir Henry Dalziel recommended a strong Committee representing all the Departments concerned in England, Scotland, and Ireland.⁵ Lord Charles Beresford advocated a Committee of Public Safety with branch bureaux in all important centres.⁶ The Prime Minister, taking a stronger line than Mr. McKenna, replied that there must be division of authority, that there had been no confusion or inefficiency,

¹ Ibid. 27.

² Ibid.

³ Ibid. 97.

⁴ Ibid. 92 ; cf. 98.

⁵ Ibid. 118, 1390.

⁶ Ibid. 406.

and that the proposed Committee would be valueless unless it had complete control not only of the police, but also of the naval and military forces of the Crown.¹

In spite of these assurances the House remained dissatisfied with the confusion of authorities. There was, in addition, a widespread feeling that the authorities responsible were in any case the wrong authorities. It was pointed out by Colonel Yate that an officer detailed to protect a small port on the east coast of Scotland from submarine and other attacks is not the person best qualified to determine the exact degree of suspicion attaching to local residents.² Sir Henry Dalziel quoted a case in which persons arrested by the local chief constable on the strength of local knowledge were promptly released by the military authorities, only to be subsequently rearrested.³ There appears to be no sure method of co-ordinating central control and familiarity with local conditions. The military authorities have little local knowledge; the chief constables are not amenable to central control. The latter indeed, according to Mr. McKenna, are irresponsible satraps, uncontrollable and practically irremovable.⁴ This defect at least, it was thought, he might remedy by legislation. Ready co-operation was offered,⁵ but Mr. McKenna continued to plead that 'it would mean a very big Bill, a very large Bill indeed'.⁶

THE PRESS CENSORSHIP

The censorship of the press, like the treatment of alien enemies, was made the subject of a friendly amendment to the Address. The gist of the criticism was that news was suppressed for no valid reason or else was unduly delayed,⁷ and that news published abroad, including official *communiqués*, was blue-pencilled for British consumption only.⁸ Objection was also taken to the anonymity of the

¹ 68 H. C. Deb. 407.

² Ibid. 1442.

³ Ibid. 116-7.

⁴ Ibid. 97, 1374-5.

⁵ Ibid. 1360.

⁶ Ibid. 1375.

⁷ Ibid. 124.

⁸ Ibid. 123.

present war, which, it was said, had a bad effect on recruiting. The deeds of particular regiments were rarely revealed, and such revelation as there was savoured of capricious partiality.¹ The Prime Minister admitted that complaints of this sort were natural, but he offered no encouragement to those who advocated the presence of specially accredited correspondents at the front.

We are not free agents in that matter. We must regulate our proceedings by the proceedings of our Allies, and our Allies . . . must in the long run be permitted to have a decisive voice as to what should or should not be done in the way of the appointment and freedom of correspondents.²

With regard to suppression he assured the House that nothing has been withheld, or will be withheld, except under the stress of immediate military exigencies.³

Lord Kitchener, however, in the House of Lords, showed that this assurance is capable of a very elastic interpretation :

It is not always easy to decide what information may or may not be dangerous, and whenever there is any doubt we do not hesitate to prevent publication.⁴

Sir Stanley Buckmaster, for his part, frankly represented himself as a mere instrument without discretionary powers or responsibility of his own.

The idea that I exercise an independent judgement is the most profound mistake that ever entered the mind of man. I do nothing of the kind. I sit there and to the very best of my power I try to execute the orders given by the Admiralty and War Office.⁵

The plea, constantly recurring in connexion with this and other matters, that the military authorities alone are responsible, was accepted on the whole with a good grace. None the less the House has had time to discover that there are certain parliamentary inconveniences to set off against the supreme national advantage of possessing a Secretary of State for War who is above criticism.

¹ Ibid. 20, 253, 1348-9, 1363-4.

⁴ 18 H. L. Deb. 182.

² Ibid. 279.

⁵ 68 H. C. Deb. 131 ; cf. 1293.

³ Ibid. 280.

LEGISLATION

The session lasted for twelve days, but on only five of these was any considerable space of time devoted to legislation. A glance at the list of the Acts passed will show that their main object is to fill the gaps left by the hasty legislation of August and September. Only one Bill, the Anglo-Portuguese Commercial Treaty Bill, had no direct connexion with the war. It was, indeed, regarded as a point of honour to restrict legislative activity to the measures directly arising out of the state of war. So far was the principle carried that even the little Bill which enabled members of Parliament to accept commissions in the army without vacating their seats, was limited to the duration of the present Parliament.¹

By far the most difficult and important of these Bills was the Trading with the Enemy Act (1914) Amendment Bill, the provisions of which were explained in the last number of the *Political Quarterly*.² This measure led to a good deal of criticism and discussion, but the discussion was not unfriendly and the criticism was of the kind which threw doubts not on the expediency of the Bill but on its efficacy.

THE SPIRIT OF THE HOUSE

The preceding pages should be sufficient to show the spirit in which the House shouldered its responsibilities. It was the spirit of loyalty, of trustfulness and co-operation, of devotion to one supereminent end.

We feel [said Mr. Arthur Henderson] that whatever differences of opinion there may have been prior to the opening of hostilities, there is no other course left open to us as a nation, there is no alternative that presents itself to us, than that we must go straight through with this very serious business.³

¹ 68 H. C. Deb. 739.

³ 68 H. C. Deb. 42.

² No. 4, p. 187.

Mr. Walter Long believed that the House and the country would give the Government

not only a wide latitude, but an absolutely free hand, so long as they are satisfied that the Government mean to prosecute the war with vigour and determination.¹

It is devoutly to be hoped that this spirit will survive when weariness follows on the first startling shock of the war. Unhappily, there were those who read a malign significance into the italicized words in the following passage from the King's Speech :

The only measures which will be submitted to you *at this stage of the Session* are such as seem necessary to my advisers for the attainment of the great purpose upon which the efforts of the Empire are set.

More unhappily still, there were those who did not hesitate to translate what is perhaps an unworthy suspicion into something akin to hope.²

THE SITTING OF THE LORDS, JANUARY 6 TO 8

The House of Lords adopted an unprecedented course when they decided to meet in January independently of the Commons. If their object was to obtain information from the Government, they can hardly claim that the move was successful. Lord Kitchener had, indeed, an opportunity to survey another six weeks of war, but his survey³ again owed its interest to the speaker rather than to the matter. He passed in rapid review the events in the European area of war, not forgetting 'the extraordinary achievement of the gallant Serbian Army'—'one of the brightest spots in the military operations during December'.⁴ The one new fact which he revealed was that the Expeditionary Force had been reinforced by a new division which included a fine Canadian regiment.⁵ Information with regard to

¹ Ibid. 245.

² Ibid. 427.

³ 18 H. L. Deb. 231 seq.

⁴ Ibid. 233.

⁵ Ibid. 232.

the extra-European campaigns was even scantier, and Lord Curzon had good reason to wish that the statement had been 'double as long and double as full'.¹

Recruiting, according to Lord Kitchener, was proceeding normally, and over 218,000 prospective soldiers had been registered as a result of the householders' canvass.² Lord Curzon, in a grave speech, warned the House that the force ultimately needed would be nearer three millions than two,³ but his appeal that the country might be taken more into confidence met with a refusal from Lord Crewe.⁴ On January 8, Lord Midleton⁵ returned to the charge, and in his turn met with a refusal.⁶ Lord Haldane saw 'no reason to anticipate a breakdown of the voluntary system', but he committed himself to a declaration which went far to convince the doubtful that the Government are prepared to go on to the bitter end.

By the common law of this country it is the duty of every subject of the realm to assist the Sovereign in repelling the invasion of its shores and in defence of the realm. That is a duty which rests on no statute, but is inherent in our constitution. Therefore compulsory service is not foreign to the constitution of the country. Given a great national emergency, I think it your duty to resort to it.⁷

On January 7 Lord Selborne endeavoured to elicit a statement with regard to recent naval operations.⁸ Lord Crewe replied, and replied at length, but the only new information which he gave to the House was, that the *Formidable*, according to the definite opinion of the Admiralty, had been sunk by two torpedoes fired by a submarine.⁹ He added that the doomed ship had signalled to another vessel not to stand by to assist her, as there was reason to suspect the presence of a submarine.

¹ 18 H. L. Deb. 237.

² Ibid. 235-6.

³ Ibid. 248-50.

⁴ Ibid. 259-60.

⁵ Ibid. 347 seq.

⁶ Ibid. 372 seq.

⁷ Ibid. 378.

⁸ Ibid. 317 seq.

⁹ Ibid. 329.

The House received warmly his tribute to this final act of sacrifice and gallantry.¹

Apparently the Government have decided to make the veil of secrecy more impenetrable than before. The wisdom of this decision can be questioned only by those who are themselves behind the veil. But secrecy, like everything else, has its disadvantages, which are obvious to all. The Opposition peers were concerned lest the country, enlightened only by occasional pronouncements that all is going well, should fail to appreciate the magnitude of the national undertaking and the sacrifices which are demanded of every individual citizen to carry it to a successful issue. Above all, they wished to be assured that the Government are not so absorbed in the necessities of the present as to neglect the rapidly accruing demands of the future. Their attitude is not the attitude of idle curiosity, still less of factious criticism, but the attitude of intense patriotic anxiety. The Government have done little to relieve that anxiety by words; it does not follow that they will be equally parsimonious in acts. At the same time their strength lies in the confidence of the country, and it is natural to surmise that mutual confidence would make them stronger still.

This mutual confidence was not forthcoming, but the time of the peers was not wasted. Their debates, conducted by men whom the nation has learned to trust and admire, full of seriousness and solemn warning yet untouched by pessimism, sound a note which the country will do well to echo. The moral effect of this short session should be great, and it has produced one definite tangible result. Lord Haldane's declaration quoted above makes it clear that the Government will not be deterred by merely theoretic obstacles from making a final claim upon the manhood of the nation.

¹ Ibid. 329-30.

GOVERNMENT BILLS INTRODUCED

NOVEMBER 27, 1914

All these Bills have received the Royal Assent

Anglo-Portuguese Commercial Treaty.	Injuries in War (Compensation).
Consolidated Fund (No. 1).	Land Drainage.
Courts (Emergency Powers) (Ireland).	Law Agents Apprenticeship (War Service) (Scotland).
Criminal Justice Administration (Postponement).	Local Authorities (Disqualification Relief).
Defence of the Realm Consolidation.	National Insurance (Navy and Army).
Exportation of Arms Act (1900) Amendment.	Navy and Marines (Wills).
Finance.	Poor Relief (Ireland).
Government War Obligations.	Royal Marines.
House of Commons (Commissions in His Majesty's Forces).	Sheriff Courts (Scotland).
	Trading with the Enemy Act (1914) Amendment.
	Trusts.

SUMMARY OF LEGISLATION

	<i>Introduced into Commons.</i>	<i>Brought from Lords.</i>	<i>In Progress.</i>	<i>Passed.</i>
Public Bills :				
Government	20	—	—	20
Private Members . . .	—	—	—	—
Provisional Order Bills . .	—	—	—	—
Scottish Order Confirmation Bills	1	—	1	—
Private Bills	2 ¹	1 ¹	2	1

¹ Suspended from session 1914.

REVIEW OF JUDICIAL DECISIONS ¹

QUASI-JUDICIAL FUNCTIONS OF ADMINISTRATIVE BODIES

A RECENT decision ² of the House of Lords has gone far to establish the power of Government Departments to determine the procedure which they will adopt when exercising functions of a quasi-judicial kind entrusted to them by statute. The Housing of the Working Classes Act, 1890, had conferred on local authorities the duty of taking proceedings before a justice of the peace for the purpose of obtaining a closing order in respect of dwellings found to be unfit for habitation, and such an order was subject to an appeal to quarter sessions. Under the Housing and Town Planning Act of 1909 the provisions on this subject were remodelled and an important change was made by providing that the local authority should itself make the closing order, and that every appeal, whether against a closing order, or against the refusal of the local authority to 'determine' (i.e. put an end to) such an order, should be taken, not to quarter sessions, but to the Local Government Board (sect. 17). The procedure on such appeals was left to be determined by rules to be made by the Board, subject to the proviso that before dismissing an appeal the Board should hold a local inquiry; and the Board was authorized, but not required, unless so directed by the High Court, to state a case for the opinion of the High Court (sect. 39).

In the present case the Borough of Hampstead had made a closing order in respect of a dwelling-house belonging to Mr. Arlidge, and at a later time refused to determine the order on his application. He appealed originally against

¹ It is proposed to review from time to time judicial decisions which are of special importance to students of government.

² *Local Government Board v. Arlidge* [1915] A.C. 120; 30 Times Law Reports 672; in the lower Courts, *Rex v. Local Government Board* [1913] 1 K.B. 463; [1914] 1 K.B. 160.

the order, and afterwards against the refusal to determine it. In both cases the Local Government Board decided against him. He now applied to the High Court to quash the order of the Board refusing the second appeal. The main ground on which this application was made, and on which it was decided in his favour by a majority of the Court of Appeal, was that the procedure applied by the Board in hearing the appeal was one contrary to natural justice. The appeal had been decided against him after a public inquiry held in accordance with the Act, and at this inquiry Mr. Arlidge was represented by his solicitor, and was heard with other witnesses on his behalf by the inspector who conducted it. After the hearing the inspector, accompanied by Mr. Arlidge, inspected the premises. The inspector then made a report to the Board, sending with it a transcript of the evidence taken at the inquiry.

So far it would seem that the owner of the house had nothing to complain of. The real grounds of his objection to the procedure were these. He had not been permitted to see a copy of the inspector's report, which in accordance with the practice of the Board was treated as a confidential document, nor of a representation made by the borough medical officer, which had been transmitted to the Board. The Board after receiving the report wrote to Mr. Arlidge's solicitors saying that the Board would be willing to consider any further statement which he might wish to submit, but it allowed him no opportunity of appearing and being heard before the Board. He contended that he was thus deprived of a fair trial, because he could neither comment on allegations and documents which had not been disclosed to him, nor effectively argue his case without knowing what was in the mind of the tribunal.

Now it is obvious that this procedure is very different from that to which we are accustomed in the ordinary courts of justice in this country. In them the materials upon which the Court forms its judgment are equally open to both parties, even in the exceptional cases where

the evidence is not taken before the Court itself, but before a commissioner. Our ordinary procedure knows nothing of an officer at all analogous in his functions to the Board's inspector, who while not being a judicial officer transmits to the Board a statement of the evidence taken, and the arguments put forward before him, and at the same time sends his own conclusions formed upon the evidence, and an account of the results of his own inspection, without the parties being afforded an opportunity of checking the correctness either of his statement of the evidence or of his conclusions or of the results of his observation. The transmission of the shorthand report in the present case was made by arrangement between the parties and formed no part of the procedure usually required by the Board.

The substantial question was whether this procedure was one which the Board was authorized by the Act to adopt. The three judges of the King's Bench Division thought it was. So did Lord Justice Hamilton (now Lord Sumner) in the Court of Appeal. But his two colleagues, Lord Justice Vaughan Williams and Lord Justice Buckley, thought that it was so 'inconsistent with the principles of natural justice on which English common law is based', that in the absence of express words the Act could not be deemed to have authorized it.

The House of Lords has now unanimously restored the judgment of the Court of first instance. The principle of the decision is there stated by Lord Haldane: 'When the duty of deciding an appeal is imposed, those whose duty it is to decide it must act judicially. They must deal with the question referred to them without bias, and they must give to each of the parties the opportunity of adequately presenting the case made. The decision must be come to in the spirit and with the sense of responsibility of a tribunal whose duty it is to mete out justice. But it does not follow that the procedure of every such tribunal must be the same. In the case of a Court of law, tradition in this country has prescribed certain principles to which in

the main the procedure must conform. But what that procedure is to be in detail must depend on the nature of the tribunal. In modern times it has become increasingly common for Parliament to give an appeal in matters which really appertain to administration rather than to the exercise of the judicial functions of an ordinary Court, to authorities whose functions are administrative and not in the ordinary sense judicial. Such a body as the Local Government Board has the duty of enforcing obligations on the individual which are imposed in the interests of the community. Its character is that of an organization with executive functions. In this it resembles other great departments of the State. When, therefore, Parliament entrusts it with judicial duties, Parliament must be taken, in the absence of any declaration to the contrary, to have intended it to follow the procedure which is its own, and is necessary if it is to be capable of doing its work efficiently.'

A further point raised in the case is of some interest as showing that the Courts are ready to take account of the manner in which our Government Departments necessarily work. The Local Government Board, which under the Act of 1909 was entrusted with the hearing of these appeals, consists, according to its statutory constitution, of certain high officers of State, but it is notorious that none of these, except the President, habitually take any part in its actual work. The Local Government Board Act, 1871, however, provides that acts may be done in the name of the Board, not only by the President or a member of the Board, but also by a secretary or assistant-secretary, if authorized to do so by any general order of the Board. It is further provided that an order, sealed, signed, and countersigned in the manner required by the Act, shall, until the contrary is shown, be a sufficient proof that such order was duly made. In the present case the order dismissing Mr. Arlidge's appeal was in due form. It was, however, argued that it was highly improbable that any of the great officers of State who compose the Board had

in fact heard the appeal ; that no general order authorizing any secretary or assistant-secretary to hear or decide it had been put forward ; and that the sealed and signed document was good evidence that the order had been made, but no evidence that any member of the Board had heard and decided the appeal. The affidavit made on behalf of the Board by its Permanent Secretary, while stating that there had been ‘ careful and impartial consideration of the facts and evidence ’, abstained from stating who had given the ‘ careful and impartial consideration ’. On the other hand, there was no positive evidence that the hearing had not been before a duly qualified official. The point does not appear to have been strongly pressed in the Court of Appeal, but it was disposed of by the judges in the Divisional Court either on the ground that as long as there is a duly authenticated order ‘ it is quite immaterial who the person was who in fact had cognizance of this matter delegated to him ’, or on the ground that, in the absence of evidence to the contrary, it must be assumed that the decision had been given by some properly-appointed person. In the House of Lords this argument on behalf of Mr. Arlidge received short shrift. Lord Shaw spoke of it as a ‘ grotesque demand to individualize the Department ’, and asked, ‘ How can the judiciary be blind to the well-known facts applicable not only to the constitution but to the working of such branches of the Executive ? ’ ‘ The Minister at the head of the Board ’, said Lord Haldane, ‘ is directly responsible to Parliament like other Ministers. He is responsible not only for what he himself does, but for all that is done in his Department. The volume of work entrusted to him is very great, and he cannot do the great bulk of it himself. He is expected to obtain his materials vicariously through his officials, and he has discharged his duty if he sees that they obtain these materials for him properly. To try to extend his duty beyond this and to insist that he and other members of the Board should do everything personally

would be to impair his efficiency. Unlike a judge in Court, he is not only at liberty, but is compelled, to rely on the assistance of his staff. When, therefore, the Board is directed to dispose of an appeal, that does not mean that any particular official of the Board is to dispose of it.'

THE POSITION OF ALIEN ENEMIES IN THE ENGLISH COURTS

A number of important decisions were given in the Court of Appeal on January 19 on the question of the position of alien enemies in the English Courts. In three of the cases,¹ which were dealt with together, the concurrent judgment of the Lord Chief Justice, the Master of the Rolls, and five Lords Justices, was delivered by the Lord Chief Justice.² It travels over a large field, and is important not only for what it decides in the particular cases, but as an exposition of the English law on the whole question. The judgment is substantially in accordance with the views advanced by the Attorney-General in an argument which he submitted as *amicus curiae* by the invitation of the Court.

In the first place, there is the question of the meaning of the phrase 'alien enemy' in respect of civil rights. As this phrase has long been interpreted it refers not really to nationality, but to the place of carrying on business (in the case of a trader) or of residence.³ A British subject or a neutral voluntarily carrying on business or residing in enemy country is for this purpose an 'alien enemy', and conversely a subject of an enemy State carrying on business or residing with the licence of the Crown in British

¹ *Porter v. Freudenberg* ; *Kreglinger v. Samuel & Rosenfeld* ; *In re Merten's Patent* : Times, January 20, 1914 ; 31 Times Law Reports 162.

² Lord Justice Kennedy, who concurred in the judgment, died before it was delivered.

³ Cf. the Trading with the Enemy Proclamation No. 2, September 9, 1914, clause 3: 'The expression "enemy" in this Proclamation means any person or body of persons of whatever nationality resident or carrying on business in the enemy country, but does not include persons of enemy nationality who are neither resident nor carrying on business in the enemy country. In the case of incorporated bodies enemy character attaches only to those incorporated in an enemy country.' The Acts passed and

territory is not subject to the disabilities of an alien enemy. Thus the subject of an enemy State, who has registered under the Aliens Restriction Act, 1914, is resident in this country by the permission of the Crown, and as such is entitled to enforce his civil rights by action.¹

The disability of an 'alien enemy' to sue in the English Courts for any debt or claim during the continuance of war has long been acknowledged as part of the common law of England. But the Hague Convention of 1907 on the Laws and Customs of War on Land contains a provision which at first sight seems inconsistent with this well-established rule of English law. In chapter 1 of section 2 of the Annex to that Convention, Article 22 reads, 'Belligerents have not an unlimited right as to the choice of means of injuring the enemy', and this is followed by Article 23 of which the other prohibitions are directed against such acts as the use of poison, the refusal of quarter, or the improper use of flags of truce, but which under paragraph (h) declares that it is forbidden 'to declare abolished, suspended, or inadmissible the right of the subjects of the hostile party to institute legal proceedings'. In the opinion of the Court, however, these words had no application to a country like England, in which there is no room for the act of an executive authority declaring a suspension of rights of action, and in which by the existing law such rights of action are *ipso facto* suspended by the outbreak of war. Reference was made to the opinion of an eminent German jurist, Dr. Sieveking, to the same effect; to a communication from the Foreign Office to Professor Oppenheim in 1911; and to a communication on the eve of the war from the German Ambassador to our Foreign Office, in which the German Government, 'in view of the rule of English law', announced its intention to suspend the enforcement of British demands in Germany

Proclamations published since the commencement of the war may be consulted in the Manual of Emergency Legislation, and the supplements thereto, issued by the Government.

¹ *Princess Thurn and Taxis v. Moffitt* [1915] 1 Ch. 58.

unless Great Britain would give an undertaking as to the continued enforceability of German demands against Englishmen. No such undertaking was given. Having regard to the context in which the prohibition against suspension of rights of action is placed, the Court held that it was directed against a declaration made by the military commander of forces in occupation of an enemy's territory. If, for instance, 'the commander-in-chief of the German forces which are at the present moment in military occupation of part of Belgium were to declare that Belgian subjects should not have a right to sue in the Courts of Belgium, he would be acting in contravention of the terms of this paragraph of the Article'. Having regard to this interpretation, the Court had no occasion to consider, and did not even refer to, the question whether an English Court could treat an international convention—duly ratified, it is true, by the executive authority of the State, but never embodied in or confirmed by parliamentary enactment—as capable of modifying the existing law of the land. The question had been raised but not decided in *Walker v. Baird* [1892] A.C. 491.

The next question was as to the position of an alien enemy against whom a British subject seeks to enforce a claim in the English Courts. Curiously enough this question had never been decided before the present war. A dictum of Lord Davey¹ had stated the rule as to the suspension of rights of action in terms which if literally construed would be equally applicable whether the alien enemy was plaintiff or defendant. On the other hand, the American Courts had decided that an alien enemy could be sued,² and in this country a Court of first instance lately decided in the same sense.³ This view is now confirmed by the authority of the Court of Appeal. 'The rule of law suspending the alien enemy's right of action is based upon

¹ *Janson v. Driefontein Consolidated Mines* [1902] A.C. 484, 499.

² *De Jarnett v. De Giversville* (1873) 56 Missouri 440; *McVeigh v. United States* (1870) 11 Wallace 259 (Supreme Court).

³ *Robinson v. Continental Insurance Company of Mannheim* [1915] 1 K.B. 155.

public policy, but no considerations of public policy are apparent which would justify preventing the enforcement by a British or neutral subject of a right against the enemy. . . . In our judgment the effect would be to convert that which during the war is a disability imposed on the enemy because of his hostile character into a relief to him during the war from the discharge of his liabilities to British subjects.'

If, however, the alien enemy can be sued, 'it follows that he can appear and be heard in his defence, and may take all such steps as may be deemed necessary for the proper presentment of his defence. . . . To deny him that right would be to deny him justice and would be quite contrary to the basic principles guiding the King's Courts in the administration of justice'. Appearance does not, of course, necessarily mean appearance in person, but the cases did not come before the Court in such a form as to raise the question how all the practical difficulties which stand in the way of a proper presentation of the defence of an alien enemy could be surmounted. The immediate question for decision in two of the cases¹ was a limited but highly technical one, namely in what form the proceedings could be taken, so as in all reasonable probability to give notice of them to the enemy defendant, when the method, usual in peace time, of transmitting the process through diplomatic channels has become impossible. In both cases the enemy defendants had branch offices in England under the management of agents here. The Court, without giving a final decision, referred it to the judge in Chambers to give directions as to the method of effecting service of notice of the proceedings, but intimated an opinion that 'substituted' service should be made upon the local agents, subject to such further terms as to advertisement or other means of communication and as to the time of appearance as might seem proper.

In the third case² a question arose as to appeals by an

¹ *Porter v. Freudenberg* ; *Kreglinger v. Samuel & Rosenfeld*, *supra*.

² *In re Merten's Patent*, *supra*.

enemy defendant. As regards an enemy plaintiff who had had judgment given against him before the outbreak of war, the Court expressed the opinion that he could present no appeal, and that if a notice of appeal had been given its hearing must be suspended until after the restoration of peace. Where, on the other hand, the judgment was against an enemy defendant, an Appellate Court would be as open to him as a Court of first instance. In the particular case judgment had shortly before the outbreak of war been given at the suit of a British subject against a German subject resident in Germany, but the effect of the judgment was suspended in case the defendant gave notice of appeal not later than August 28. Such notice was actually given on that day, and it was now contended on his behalf that the hearing of the appeal should be suspended until the conclusion of the war. The effect of this would have been to deprive the plaintiff indefinitely of the benefit of his judgment. The Court refused to accept this contention, and decided that the appeal must be heard in the ordinary course.

In two other cases¹ the question was raised of the status of English companies composed wholly or almost wholly of shareholders who are alien enemies. In each case the plaintiffs were a company incorporated in England and formed for the purpose of selling in the United Kingdom the goods of a German company, which held the great majority of the shares in the English company. The rest of the shares with the exception of one were also held by Germans resident in Germany, and all the directors were Germans resident in Germany. Lord Justice Buckley, in a dissenting judgment, argued that under such circumstances the English corporation could be treated as a mere form, under which a body of alien enemies were seeking the assistance of the King's Courts, that the Court could look at the substance behind the form, and that it ought to reject the claims. On the other hand, the other members

¹ *Continental Tyre, &c., Co. v. Daimler Co.*; *Continental Tyre, &c., Co. v. Thomas Tilling*, Times, January 20; 31 Times Law Reports 159.

of the Court were unanimous that the company could recover.¹ 'It cannot be disputed that the plaintiff company is an entity created by statute. At the outbreak of the war it was carrying on business in the United Kingdom, it had contracted to supply goods, and until the outbreak of the war it was admittedly entitled to receive payment at the due dates. Has the character of the company changed because at the outbreak of war all the shareholders and directors resided in an enemy country and therefore became alien enemies? An English company cannot, by reason of these facts, cease to be an English company.'² It is undoubtedly the policy of the law as administered in our Courts to regard substance and to disregard form. But substance must not be treated as form or swept aside as technicality because that course might appear convenient in a particular case.' As to public policy, the Court held that 'nothing would more easily tend to create uncertainty and confusion in our law than to allow considerations of public policy, as distinguished from law based upon public policy, to be a ground of judicial decision'.

The decision has been criticized from the practical point of view as one which in fact assists alien enemies in obtaining money from this country. But the Trading with the Enemy Amendment Act, 1914, which provides for the payment to the custodian appointed by the Act of all dividends which if no state of war had existed would have been payable to an enemy, is a sufficient answer to this criticism.

¹ The Court was composed of the same judges as those who decided the cases referred to in note 1, *ante*, p. 146. Lord Justice Kennedy concurred with the majority, but died before the judgment was delivered.

² It may be noticed that, as pointed out by the Court, a company incorporated in England is not an alien enemy within the meaning of the Trading with the Enemy Proclamation No. 2 (see note 3, *ante*, p. 146) which under the Trading with the Enemy Act, 1914, has the force of statute. The Proclamation makes it clear that payment to such a company is not illegal, but contains no provision as to the right of such a company to sue.

THE CONSTITUTIONAL POWERS OF THE AUSTRALIAN COMMONWEALTH

In *Attorney-General for the Commonwealth of Australia v. Colonial Sugar Refining Company Limited* [1914] A. C. 237, the Judicial Committee of the Privy Council has given a decision of great importance with regard to the legislative powers of the Commonwealth Parliament. The case is also of considerable interest as illustrating the working of the provision in sect. 74 of the Commonwealth Constitution, which limits the right of appeal from the High Court of Australia in constitutional questions.

By the Royal Commissions Act, 1902–1912 (a consolidation of two Acts passed in those years), the Commonwealth Parliament empowered the Governor-General to appoint Commissioners with authority to inquire into and report upon any specified matter relating to or connected with ‘the peace, order and good government of the Commonwealth or any public purpose or any power of the Commonwealth’. The chairman of the Commission was to have power to summon witnesses, to require the production of books and documents, and to administer oaths. Failure to attend or be sworn or to produce books or documents was made punishable by a penalty of £500; defaulting witnesses might be apprehended, and wilful contempt of a Royal Commission was made an offence punishable by fine or imprisonment.

Already, in 1911, the Commonwealth Government had, under the Act passed in 1902, appointed a Royal Commission to inquire into the sugar industry in Australia, and under this Commission officers of the sugar company (respondents to the present appeal) had been fined for a refusal to attend and produce documents. But in consequence of the amendments in the law made in 1912, and the increased powers then conferred on Royal Commissions, the Government found it expedient to appoint a new Commission in September of that year. The subjects of inquiry specially mentioned were (a) growers of sugar-cane and beet; (b) manufacture of raw and refined

sugar ; (c) workers employed in the sugar industry ; (d) purchasers and consumers of sugar ; (e) costs, profits, wages, and prices ; (f) the trade and commerce in sugar with other countries ; (g) the operation of the existing laws of the Commonwealth affecting the sugar industry ; (h) any Commonwealth legislation relating to the sugar industry which the Commission might think expedient. Immediately afterwards a summons to attend and give evidence and produce documents was served on the company's general manager, enumerating under fifty heads all the documents which related to the whole history, operation, constitution, and internal working of the company, the profits of the company both within and without Australia and of its individual shareholders, and the value of the different assets of the company both within and without Australia.

The company now assumed the offensive, by instituting an action against the Commissioners in the High Court of Australia. The Attorney-General was afterwards added as a defendant. In this action they claimed declarations to the effect that the Royal Commissions Act, or certain sections of it, were beyond the powers of the Parliament of the Commonwealth and were invalid ; that the Royal Commissions were null and void ; and that the company and its officers were not bound to attend or give evidence or produce documents. Alternatively they claimed a declaration that they were not bound to answer questions or produce documents which (1) were in respect of a subject-matter as to which the Federal Parliament had no power to legislate, (2) were not relevant to the terms of the Commission. They further asked for an injunction restraining the issue of further summonses and the exercise of such powers as should be held invalid. An interlocutory injunction in these terms was applied for before the trial of the action, and the decision of the Court was given upon this application.

The High Court of Australia was unanimous that the Royal Commissions Acts were within the powers of

the Commonwealth Parliament, but they were equally divided as to the scope of the inquiries which could properly be made by the Commissioners. Two of the judges (Griffith C.J. and Barton J.) were of opinion that the Commissioners could only require answers to questions and the production of documents relevant to matters in regard to which the Parliament of the Commonwealth could legislate without an alteration of the Commonwealth Constitution, and that certain of the proposed inquiries were relevant only to matters in which the Parliament had at present no power to legislate. They accordingly held that an injunction ought to be granted to restrain the Government from requiring answers to questions or the production of documents relevant only to certain matters, such as the internal management of the affairs of the company, or the details of salaries paid to officers of the company, except so far as they are relevant to the actual cost of such production and manufacture. In other respects the injunction granted did not interfere with the making of inquiries on the part of the Government.

On the other hand, Isaacs J. and Higgins J. held, in the first place, that the Commissioners might be authorized to exercise their compulsory powers not only with reference to matters within the existing legislative powers of the Commonwealth Parliament, but also with reference to matters which might be brought within those legislative powers by an amendment of the Constitution under the provisions of section 128 of the Constitution. They also thought that it was impossible to pronounce in advance that the questions sought to be put might not prove relevant to matters which were held by all the judges to be proper subjects of inquiry. For these and other reasons they thought that the injunction ought to be refused.

The Court being equally divided, an injunction was granted in accordance with the judgments of the Chief Justice and Barton J.

From this order an appeal was brought by the Attorney-General and the Commissioners to the King in Council.

Now the 74th section of the Constitution contains the following restriction on the right of appeal :

‘ No appeal shall be permitted to the Queen in Council from a decision of the High Court upon any question, howsoever arising, as to the limits *inter se* of the Constitutional powers of the Commonwealth and those of any State or States, or as to the limits *inter se* of the Constitutional powers of any two or more States, unless the High Court shall certify that the question is one which ought to be determined by Her Majesty in Council.’

A certificate under this section was asked for on behalf of the appellants for the sake of ‘ greater caution ’. It should be noted that a certificate is not required for all appeals from the High Court to the King in Council, but only for appeals upon such constitutional questions as are specified above. The Court had unanimously decided that the Royal Commission Acts were within the legislative powers of the Commonwealth Parliament ; and since the sugar company did not propose to appeal against the decision of the Court which had refused an injunction in the wide terms asked for by the company on the footing of the invalidity of those Acts, it would seem at first sight that no question could arise as to the ‘ limits *inter se* ’ of the legislative powers of the Commonwealth and the States. Assuming these Acts to be valid, the appellants would without any certificate have been entitled to appeal on more than one ground, for instance on the ground that all the inquiries proposed to be made were relevant to matters falling within the ordinary legislative powers of the Commonwealth, or on the ground (taken by the dissenting judges) that it could not be pronounced in advance that any of such inquiries were irrelevant. If, however, they proposed to take the ground that the inquiries were authorized even if they were relevant only to matters which might be the subject of constitutional amendment under sect. 128 of the Constitution, the case would be different. The decision of the Court that such inquiries could not be made, might be regarded as merely a decision on the

interpretation of the Royal Commissions Act, or it might amount to a decision that the Act, while valid as a whole, was incapable of imposing a duty to answer such inquiries. In the former case it would be difficult to separate the question of interpretation from the question of the legislative powers of the Commonwealth Parliament, in the latter the question of those legislative powers would be directly raised.

After some discussion the High Court granted a certificate in the following terms :

‘Pursuant to sect. 74 of the Constitution this Court doth certify that so far as the question whether the Parliament of the Commonwealth has power to make laws for the compulsory examination of witnesses by Royal Commission touching matters which are not within the ambit of the existing legislative powers of the Commonwealth, that is to say such powers as may now be exercised without an amendment of the Constitution under the provisions of sect. 128, is a question as to the limits *inter se* of the constitutional powers of the Commonwealth and those of any other State or States, the question is one which ought to be determined by His Majesty in Council.’¹

The Judicial Committee of the Privy Council, whose opinion was delivered by the Lord Chancellor, took a view of the case which was different from that of any of the judges of the High Court. They agreed with the dissentient judges that if the Royal Commissions Acts were valid, none of the inquiries could be held to be beyond the powers of the Commissioners, since it was impossible to determine beforehand that they might not be relevant to possible subjects of the legislative capacity of the Commonwealth Parliament, which under sect. 51 of the Constitution extends to such matters as trade and commerce with other countries and among the States, taxation, bounties on production or export, statistics, and trading corporations formed within the limits of the Commonwealth. The real question, therefore, was that of the validity of the Royal Commissions Acts which purported

¹ See 15 Commonwealth Law Reports 233.

to give coercive powers to make inquiries 'upon any matter specified in the letters patent, and which relates to or is connected with the peace, order and good government of the Commonwealth, or any public purpose or power of the Commonwealth'. It will be noticed that sect. 51, while authorizing the Commonwealth Parliament to legislate 'for the peace, order and good government of the Commonwealth', authorizes such legislation only with respect to the matters enumerated in the section.

In dealing with this question Lord Haldane called attention to the strictly federal character of the Commonwealth Constitution in a sense very different from that in which the Constitution of the Dominion of Canada can be described as federal.¹

'The British North America Act of 1867 commences with the preamble that the then Provinces had expressed their desire to be federally united into one Dominion with a Constitution similar in principle to that of the United Kingdom. In a loose sense the word "federal" may be used, as it is there used, to describe any arrangement under which self-contained States agree to delegate their powers to a common Government with a view to entirely new Constitutions even of the States themselves. But the natural and literal interpretation of the word confines its application to cases in which these States, while agreeing on a measure of delegation, yet in the main continue to preserve their original Constitutions.'

Lord Haldane proceeded to point out that the stricter form of federal principle was carried into effect in the Commonwealth Constitution, both by sect. 51, which enumerates the subjects 'with respect to which' the Commonwealth Parliament is authorized to legislate, and by sect. 107, which enacts that 'every power of the Parliament of a Colony which has become or becomes a State, shall, unless it is by this Constitution exclusively vested in the Parliament of the Commonwealth, or with-

¹ In a weighty article in 30 *Law Quarterly Review* 301, Professor Jethro Brown has strongly criticized the whole judgment, and particularly the theory of a Federal Constitution which is stated in it.

drawn from the Parliament of the State, continue as at the establishment of the Commonwealth, or as at the admission or establishment of the State, as the case may be.' Further, 'at the time of federation the federating colonies possessed full powers, delegated to them by the Imperial Parliament, of legislating for the peace, order and good government of their people. It is clear that the powers which the Royal Commissions Acts affect to exercise, of imposing, under penalties, new duties on the subjects of or people residing within the individual States, were before federation vested in the legislatures of those States. If so, the burden rests on those who affirm that the capacity to pass these Acts was put within the powers of the Commonwealth Parliament to show that this was done'.

This burden was held not to have been discharged. In the first place, while it was true that under sect. 51 the Commonwealth Parliament has power to legislate about certain forms of trade, about bounties and statistics, and trading corporations, and 'such legislation might possibly take the shape of statutes requiring and compelling the giving of information about these subjects specifically', this was not what the Royal Commissions Acts purported to do. Their scope was not limited to any particular subject of legislation or inquiry. Nor, again, could the inquiries directed to be made by the Commissioners be justified on the ground that they might 'be relevant to the question of the desirability of a change of the Constitution which might take place either under the express provisions of sect. 128 by special legislation passed under certain conditions and approved after a referendum in the States, or possibly under sub-head (xxxviii) of sect. 51, which enables the exercise by the Commonwealth at the request or with the concurrence of the Parliaments of all the States directly concerned of any power which could at the establishment of the Constitution be exercised only by the Parliament of the United Kingdom or the Federal Council of Australia. . . . No such power of changing the Constitution, and thereby bringing new subjects within

the legislative authority of the Commonwealth Parliament, has been actually exercised and until it has, it cannot be prayed in aid. . . . The Commonwealth Parliament could not legislate so as to alter 'the existing distribution of powers 'merely of its own motion'. Nor, finally, was the matter carried further by sub-head (xxxix) of sect. 51, which declares to be within the legislative capacity of the central Parliament 'matters incidental to the execution of any power vested by this Constitution in the Parliament, or in either house thereof, or in the Government of the Commonwealth, or in the Federal Judicature, or in any department or officer of the Commonwealth', inasmuch as 'the authority over the individual sought to be established by the Royal Commissions Acts, the new offences which they create and the drastic powers which they confer, cannot, in their Lordships' opinion, be said to be incidental to any power at present existing by statute or at common law'.

The Judicial Committee accordingly made a declaration to the effect that the Acts were *ultra vires* and void, so far as they purported to enable a Royal Commission to compel answers generally to questions, or to order the production of documents, or otherwise to enforce compliance of the members of the public with its requisition. It will be seen that in the result the sugar company obtained a declaration far more favourable to them than the injunction of the High Court against which the Commissioners had appealed, and one more extensive in its scope than the question upon which a certificate had been given.¹

W. M. GELDART.

¹ My friend, Dr. Ehrlich, first pointed out to me the extensive character of the decision as compared with the question which was raised by the appeal and which was covered by the certificate. Professor Jethro Brown submits that in so far as the decision goes beyond the certificate, it would not be binding on the Australian Courts: see his article cited on p. 157. The question of the invalidity of the Acts was certainly argued before the Committee, and so far as the reports go, apparently without objection being taken by the counsel for the appellants.

CENTRAL ADMINISTRATION

PUBLIC FINANCE

Reopening of Stock Exchange. It was officially announced on December 23 that the Stock Exchange, which had been closed since July 30, would be reopened for business on January 4. An early reopening had been confidently expected ever since the Stock Exchange Loan scheme was announced by the Treasury on November 1 ;¹ but it was obvious that very careful restrictions would be necessary, and a stipulation that Treasury sanction must be obtained for any reopening was attached to the Government Loan scheme. During November and December conferences to discuss these restrictions were held between officials of the Treasury, the Stock Exchange Committee, and representatives of the banks; and the regulations issued on December 23 were in accordance with general expectation. The restrictions imposed on business are somewhat severe, but the Treasury regard them as being, for the present at any rate, absolutely necessary in the national interests. The object of them is to safeguard the London merchant against forced realization of securities and against operations for the purpose of depressing prices, and to close the market absolutely to the enemy both directly and indirectly. Many of the transactions which the rules are designed to prevent are already illegal under the Trading with the Enemy Acts and Proclamations, and under common law. The principal points of the scheme are that all transactions must be for cash; that every transaction must be officially recorded; that no member will be allowed to bid for or offer stock openly in the market; that minimum prices must not be reduced without the approval of the Treasury; that the Committee will, prior to the reopening, fix minimum prices for foreign Government and other inter-bourse securities; that no security will be good delivery unless it has been in uninterrupted possession in the United Kingdom since September 30, and has not been in enemy ownership since the outbreak of war; that all arbitrage business is prohibited for the time being; and that no dealing will be permitted in any new issue of capital made after January 4, unless approved by the Treasury.

¹ See *Political Quarterly*, December 1914, p. 178.

State Control of New Capital Issues.—The conditions under which new issues of capital would be approved by the Treasury during the continuance of the war were announced a fortnight after the Stock Exchange was reopened. The temporary regulations for the re-opening (*supra*) had contained the paragraph (4 (3)), that

No dealings will be allowed in any new issues made after January 4, 1915, unless specially allowed by the Committee and approved by the Treasury,

and some further statement in explanation of Government policy was more or less expected. The announcement made on January 19 was prefaced by the following paragraph :

It appears to the Treasury that in the present crisis all other considerations must be subordinated to the paramount necessity of husbanding the financial resources of the country with a view to the successful prosecution of the war. Accordingly, the Treasury wishes it to be understood that until further notice it feels it imperative in the national interest that fresh issues of capital shall be approved by the Treasury before they are made.

Treasury approval will be governed by the following general conditions, viz.: New issues for undertakings outside the British Empire will not be allowed at all; those proposed for undertakings within the United Kingdom will only be allowed if considered to be 'advisable in the national interest', and those for undertakings within the British Empire only where 'urgent necessity and special circumstances exist'.

The Chancellor of the Exchequer has appointed a Committee, under the chairmanship of Lord St. Aldwyn, to consider and advise upon applications received by the Treasury for approval of fresh issues.

WAR PENSIONS : PROPOSALS OF SELECT COMMITTEE

The Select Committee of the House of Commons which was appointed in November last to consider a scheme of Pensions and Grants for officers and men in the naval and military services issued a special interim Report on February 2. It will be recollected that a new scheme of pensions and allowances was put forward early in November in a White Paper [Cd. 7662]¹ which, although recommending very considerably increased grants, was still felt on many sides to be inadequate; and that, at the suggestion

¹ See *Political Quarterly*, No. 4, Dec. 1914, p. 192.

of Mr. Bonar Law, the present Committee was formed on non-party lines to inquire into the whole question.¹ The Report just issued does not cover the whole ground of inquiry—the entire problem of pensions for widows and dependants of officers is, for instance, reserved for a further Report; but it deals with many of those points in the previous scheme which aroused the greatest amount of criticism, e.g. the pensions to widows and disabled men, and separation allowances to dependants of soldiers and sailors.

The alterations which the Committee recommend in the scales previously proposed are almost all in the direction of an increase. The greatest changes take place in the scheme of pensions, and will unquestionably be received with general satisfaction; for it was in this direction that the proposals of the White Paper were felt to be particularly inadequate. In the new proposals the starting-point for widows' pensions is 10*s.* a week instead of 7*s.* 6*d.*, and an additional allowance is made for increasing age; at thirty-five years the 10*s.* becomes 12*s.* 6*d.*, and at forty-five it becomes 15*s.* The provision for children has been differently graduated, the first child being allotted 5*s.* as in the previous scheme, the second 3*s.* 6*d.* instead of 2*s.* 6*d.*, and after that 2*s.* for each child instead of 2*s.* 6*d.*: thus a widow with one child receives 15*s.* (or more if the mother is over thirty-five) instead of 12*s.* 6*d.*, and a widow with four children 22*s.* 6*d.* instead of 20*s.* No distinction is to be made between marriages contracted before or after enlistment or between children born in or out of wedlock. Each motherless child is to receive a pension of 5*s.* a week, without the reduction which was proposed in the White Paper if the children were more than three in number. A recommendation which will meet with general approval is that widows should receive a gratuity, equal to two years of the Government pension, on remarriage.

With regard to disablement pensions, the new scales show a very considerable increase. The weekly pension for total disablement proposed in the White Paper was 14*s.* for unmarried men and 16*s.* 6*d.* for married men, in addition to the 5*s.* a week received as disablement benefit under the National Health Insurance Act; the recommendation of the present Committee is that 25*s.* a week, with 2*s.* 6*d.* in addition for each child, should be paid directly by the State, the societies and funds under the Insurance Act being relieved of the charge of 5*s.* a week for disablement benefit. Thus the present scheme, besides involving a considerable increase in all cases, does away with the previous

¹ The Committee were: Mr. Lloyd George, Mr. Bonar Law, Mr. McKenna, Mr. Chamberlain, Mr. T. P. O'Connor, and Mr. Barnes.

hardship to those soldiers and sailors not entitled to disablement benefit under the Insurance Act. The rates for partial disablement will be such proportion of 25*s.* as will, with the wages the claimant may still be held to be capable of earning, amount to 25*s.* With regard to separation allowances, the principal change is the substitution in the Army of 5*s.* for 2*s.* 6*d.* for the first child, and 3*s.* 6*d.* for 2*s.* 6*d.* for the second; and in the Navy of 4*s.* for 2*s.* for the first child, and 3*s.* for 2*s.* for the second. Payments of allowances and pensions in respect of children are in all cases to continue until the age of sixteen years, and may be continued longer on the recommendation of the local Education Authority. The Committee recognize that no scheme can be so framed as to meet every case, and wisely suggest that the Prince of Wales's Fund and any other local funds should be invited to supplement the Government rates of allowances and pensions where it appears desirable to do so. At the same time, the increase in the Government scales which the Committee propose will in many cases relieve existing voluntary funds.

BOARD OF TRADE

British Dye Industry. A very important scheme for the creation of an aniline dye industry in this country was advanced by the Government in December. The question of the supply of dye-stuffs and colours has been under constant consideration ever since the outbreak of war. Almost the whole of the chemicals and dye-stuffs required for the enormous textile industries have hitherto been imported from Germany; and the situation created by the stoppage of imports threatened to be so serious that a Government Committee on Chemical Products, under the chairmanship of Lord Haldane, was appointed in August to consider the various problems which had arisen in this connexion. On November 23 the President of the Board of Trade announced that the inquiries of the Government had led them to the conclusion 'that the excessive dependence of this country on a single foreign country for materials of such vital importance to industries in which millions of workpeople are employed, constitutes a permanent danger which can only be remedied by a combined national effort on a scale which requires and justifies an exceptional measure of State encouragement',¹ and that accordingly the Board had

¹ H. C. Deb., vol. lxxviii, no. 8, p. 747. The gravity of the situation was shown by the speech made by Lord Moulton, a member of the

entered into consultation with the principal interests concerned, with a view to the elaboration of a scheme for the establishment of an undertaking for the production of synthetic dyes and colours, and that, while it was hoped that in the main the capital required would be forthcoming from the industries by which dyes and colours are mainly used, the Treasury were prepared, within certain limits and subject to certain conditions, to afford financial support to a well-considered scheme which should be permanently under British control. The outlines of a scheme advocating the formation of a National Joint Stock Company were given in a circular subsequently issued by the Board of Trade Committee on Aniline Dyes, and addressed to the dye trade and allied trades.

This original scheme was, however, not very favourably received by the representatives of the industries concerned, and further conferences took place between a provisional committee of users of dyes and the Board of Trade. On January 29 it was announced that the committee had eventually come to a unanimous decision in favour of the adoption of a modified scheme for a national undertaking, which, it is believed, will provide for rapid and effective action to meet the present emergency on lines acceptable to the various interests concerned, while capable of future development into a more comprehensive scheme as and when opportunity permits : and that the approval of the Treasury for the revised financial arrangements has been obtained.

LOCAL GOVERNMENT BOARD

Government Belgian Refugees Committee. The Departmental Committee appointed in October by the President of the Local Government Board to consider and report on all questions arising in connexion with the reception and employment of the Belgian refugees in this country, issued its first Report at the end of December.¹

The Committee in the short time at their disposal examined no less than seventy-four witnesses, including officials from various Committee, in the Town Hall, Manchester, on December 8, in which he said :

When I began to investigate the question of the lack of dyes I found England consuming £2,000,000 worth of dyes a year. Those dyes were essential to an industry of something like £200,000,000 a year on which at least 1,500,000 workmen were dependent. Of that £2,000,000 worth of dyes barely one-tenth was produced in this country.

¹ [Cd. 7750].

Government departments, representatives of local committees who had undertaken the care of refugees in different parts of the country, trade unions, employers, and various other persons. Questions of importance were submitted by them for the consideration of the Official Committee of Belgians for Great Britain, an advisory committee appointed in November by His Majesty the King of the Belgians.

Before proceeding to discuss the evidence brought before the Committee, the Report gives a very interesting historical survey of the events which led up to its appointment, namely the flight of the Belgians to England and their reception, at first by voluntary organizations and subsequently by the Local Government Board.¹

At first the Belgians as they were expelled from their homes moved to the nearest place of refuge still held by their army. Gradually, however, they were pushed back to the frontiers, until at last, driven from every refuge by the fear inspired by the enemy's methods of warfare, they began to seek shelter in neighbouring countries.

From first to last it has been calculated that about a million refugees—nearly a sixth of the total population—have abandoned Belgian soil; of these Holland received the largest share, some 500,000 or more; a large number, especially from the Ardennes and the southern provinces, fled to France. In England about 110,000 arrived, and arrangements are being made to bring over yet more from Holland to relieve the excessive pressure prevailing there.

It is characteristic of our national ways that the duty of attending to the refugees should have been undertaken by voluntary organizations. But, however willing private individuals might be to undertake the national duty of relieving the distress of our Allies, it soon became evident that the task was assuming such gigantic proportions that no voluntary organization could be expected to cope with it.

On September 9, in reply to a question in the House of Commons, you [the President of the Local Government Board] offered to the refugees, on behalf of the Government, the hospitality of the British nation.

The Committee express themselves as 'greatly impressed by the work which, under the greatest difficulties, has been carried out' by the Local Government Board, and pay tribute in the warmest terms to the work of the War Refugees Committee, the local representative committees, and other voluntary organizations, as also to the willingness of all classes in the kingdom to offer all the assistance in their power. This is evidenced by the fact that offers of hospitality were received for over 100,000 refugees.

¹ See *Political Quarterly*, December 1914, pp. 194-5.

Some complaints as to the arrangements made for the refugees were no doubt inevitable where a work of such magnitude had to be accomplished in so short a time by a staff almost entirely composed of voluntary and sometimes inexperienced helpers: and

the comparative success of the work is no doubt largely due to the character of our guests, of whose conduct there have been hardly any complaints worth mentioning, and who have shown themselves not only brave and patient, but accommodating in circumstances of desolation so grave as to disturb the equanimity of the most tolerant people. But our own people may take credit for the spirit in which a great undertaking has been carried through. Poor and rich alike have vied in showing practical sympathy with our Allies. Trade unions have subscribed to the wants of their fellow labourers; families, with barely room for themselves, have pinched and squeezed to enable them to give hospitality to the poor Belgians. Instances of this spirit might be multiplied indefinitely.

The body of the Report, however, is concerned with the problem of the employment of Belgian refugees. The Committee recognized that an essential preliminary step was to obtain a reliable classification of the refugees, giving their age, sex, ordinary vocation, former address in Belgium and present address in this country; and the Registrar-General was accordingly instructed by the President of the Local Government Board to prepare a central register of refugees. In the meantime the terms and conditions under which refugees might be employed had to be defined.

The Committee ascertained that agencies had already been established for the purpose of advertising for Belgians to fill vacancies in certain trades. It also appeared that instances had occurred where refugees had actually obtained work for which they were receiving wages at lower rates than those paid to British workmen in the same occupation.

It was, therefore, clear that unless specific regulations for the control of the employment of Belgians were laid down and a suitable organization established through which employment should, as far as possible, be given to them, there was a definite risk that their labour would be utilized under conditions and for wages less favourable than those obtained by British workmen, and that in consequence the interests of both British and Belgian workmen might suffer.

The Committee considered (a) that the proper authority to undertake the task was the Labour Exchanges Department of the Board of Trade . . . and (b) that . . . local refugee committees should be requested to co-operate with the local Labour Exchanges.

To carry this policy into effect it was necessary forthwith to decide the conditions on which work for the refugees might properly be found in the ordinary labour market; these conditions are

printed *in extenso* in Appendix I of the Report, but it will suffice here to mention the two main principles, namely :

1. That no Belgian labour should be employed until every reasonable effort had been made to find British labour through the agency of the Labour Exchanges.

2. That no Belgian labour should be employed at rates of wages lower, or on conditions less favourable, than those generally observed in the district concerned.

Resolutions as to the method of (a) obtaining employment, and (b) payment of wages, were drawn up by the Committee, and circulars drawing the attention of local refugee committees to the principles embodied in these resolutions were in due course issued by the Local Government Board.

Having laid down the principles with regard to the conditions under which Belgian labour should be employed, the Committee proceed to examine the evidence submitted to them as to the existing opportunities for industrial and agricultural employment. Their information was gathered from two main sources : (1) Government Departments, employers of labour, trade unions, and local refugee committees ; and (2) offers of employment made directly to the Committee from firms and individuals anxious to obtain Belgian labour in various occupations. In regard to industrial employment, the evidence and correspondence showed that there is at the present time a definite shortage of labour in certain trades and industries—e. g. armament workers, textile workers in the woollen trade, carpenters and joiners, and motor mechanics. The Labour Exchanges Department supplied the Committee with figures showing that the vacancies for Belgians which were registered on the books of the Department amounted to 3,775 for men, and 1,508 for women ; in all, 5,283. In agricultural employment the Committee considered not only the question of general agriculture, but that of special branches—e. g. cultivation of sugar-beet and afforestation. The position is summarized as follows :

In general agriculture there can be no doubt that there is at the present time a shortage of labour, available for Belgians, and that in the early months of the coming year this shortage will increase to a marked extent.

In the special branches referred to it will be seen that in any case the expenditure of considerable capital would be required, and the numbers of refugees who could be employed would be comparatively small. . . .

The Committee are of opinion that such schemes as sugar-beet cultivation, State afforestation, and the reclamation of

waste lands are open to objection in this respect, and they are consequently not prepared to recommend their adoption.

The question of employing highly skilled Belgian agriculturists in intensive culture, especially for the purpose of organizing demonstration plots, is being considered by a Committee under the chairmanship of Sir Richard Paget, which has offered to submit proposals for the consideration of the Government Committee.

The Committee point out that the ground covered by their investigation has been very wide and that therefore it has only been possible to arrive at very general conclusions. The register which is being prepared by the Registrar-General, although not completed, shows that the refugees are roughly divided into three main groups :

1. Workers qualified to fill vacancies in industries in which a shortage of British labour exists, such as armament workers, glass-blowers, woollen workers, miners, motor mechanics, and agricultural labourers.

2. Workers qualified for and in need of employment for whom no opportunities in British industries exist, such as tailors, iron-mongers, jewellers, milliners, dressmakers, printers, bookbinders, fancy goods makers, and cabinet makers.

3. Other special classes, mainly of a professional character, such as Government officials, employers, clerks, musicians, teachers, authors, and lawyers.

In respect of the workers in the first group qualified for existing vacancies a definite shortage of labour, though in some cases only temporary, has been indicated, and it has been established that there are also opportunities for Belgian labour in agriculture, which will increase to a marked extent in the early months of the coming year.

With regard to the workers in the second group, special measures will have to be devised if work is to be provided.

For the third group practically no chance of employment exists.

In submitting their recommendations in respect of the first of these groups the Committee state that :

It is a matter for regret, both in the interests of British labour and of the refugees themselves, that, up to the present time, so few have found employment through the agency of the Labour Exchanges Department, and that considerable numbers have obtained work without the safeguards thereby afforded.

The Committee fear that in some instances refugees have been employed on unsatisfactory terms and conditions, and it has been suggested that, with a view to preventing occurrences of this kind, which are greatly to be deplored, measures should be taken to

make the employment of Belgians through the agency of the Labour Exchanges compulsory. The Committee are making further investigations into this important matter so as to enable them, if necessary, to make definite recommendations with regard to it.

In the meantime various suggestions are made, as that lists of approved vacancies should be sent by the Labour Exchanges Department to the French and Belgian newspapers in circulation in this country, with an intimation that applicants for work should apply to the Labour Exchanges; and that in all Government contracts it should be a condition of the contract that Belgian labour should only be employed through the agency of the Labour Exchanges.

With regard to the second group, workers in need of employment for whom no openings in British industries exist :

The conclusion at which the Committee have arrived is that these refugees should be employed in making clothes, furniture, and other articles for household use, which should be placed at the disposal of the Belgian Government in order to meet the needs of the Belgian people at the close of the war on their return to their own country. A typical example of a Belgian workshop established at Leeds on these lines is described.

The scheme is, however, of a somewhat complex character. In the first place, the refugees have been scattered indiscriminately over the length and breadth of the land and have been sent in batches to centres of hospitality without any regard to their occupations and professions. It will, therefore, be necessary to select from other places refugees of particular occupations and distribute them—to 'reshuffle' them, so to speak—to the centres in which their services can be utilized. It is understood that many offers of hospitality are still available, and in the redistribution of the refugees from one district to another, it may therefore be anticipated that there will be no difficulty in finding them suitable homes.

The Committee recommend that a central authority should be constituted to advise and assist local refugee committees in organizing schemes for the establishment of workshops for the refugees, and to exercise a general supervision, and that a certain number of local refugee committees in large industrial centres should be asked to form, in conjunction with the local authorities, employment committees, and that these should undertake the establishment of workshops for the refugees. 'In view of the fact that the goods and articles to be made in the workshops are intended for export to Belgium at the end of the war, it may, perhaps, be assumed that the cost of providing the new material

will be borne from Belgian sources; the other expenses should, in the opinion of the Committee, be defrayed from British sources.

For the third class of refugees, namely, those mainly of a professional character, the Committee think it improbable that employment can be found, except in a few isolated cases; but the question has been referred by them for the consideration of the Official Committee of Belgians.

The press has been officially informed that steps are now being taken by the Government to give effect to the recommendations of the Committee; and a small Commission has been set up for the purpose under the chairmanship of Sir Ernest Hatch, chairman of the Departmental Committee.

LOCAL GOVERNMENT BOARD : SPECIAL WORK ARISING OUT OF THE WAR ¹

Work of the Poor Law Division.—The Local Government Board has issued an interesting if somewhat brief Report on the special work undertaken by the Board in connexion with the war up to the last day of 1914. The first section deals with the prevention and relief of distress, and describes the organization set on foot and the policy of the Government towards unemployment, &c., which was dealt with in the last number of the *Political Quarterly*.² The second section deals with the work of the Poor Law Division, which has been more extensive than has perhaps been generally realized. Most of the institutions (workhouses, infirmaries, and schools) provided by the Poor Law authorities of England and Wales have a certain margin of accommodation, and of this extensive use has been made by the military authorities for the billeting of troops and treatment of wounded soldiers. Part of it has also been used for such purposes as the temporary reception of Belgian refugees, the temporary housing of alien enemies, the reception of wives and families of interned aliens, &c.

As conspicuous examples of the principal classes of case in which action of this kind has been taken may be mentioned the use of a number of Poor Law institutions in London as refuges for Belgians; the accommodation in the Hutton Schools of the Parish of Poplar Borough of the boys belonging to the Duke of York's School, whose premises near Dover were required for use as a barracks; the handing over of Grove Park Workhouse, belonging

¹ [Cd. 7763].

² See *Political Quarterly*, No. 4, Dec. 1914, pp. 689-694 and [Cd. 7603].

to the Greenwich Guardians, to be used as barracks of the Mechanical Transport Department of the Army Service Corps; the emptying of Sheppey Workhouse in the earliest days of the war for billeting purposes; the provision of 233 hospital beds at the Hull Union Infirmary; and the appropriation, for the reception of wounded Indian soldiers, of practically the whole indoor accommodation at Brighton. This list is typical only, and by no means exhausts the larger arrangements of the kind which have been made.

It is pointed out that while the Board have gladly facilitated the appropriation of any accommodation which could reasonably be spared, they have in each case satisfied themselves that a sufficient margin of accommodation would be at the disposal of the Guardians for the fulfilment of their primary duties.

The outbreak of war necessarily caused a very appreciable increase in the amount of destitution among aliens; and in many cases the duty of providing the needful relief fell upon the Guardians. It was evident that to charge the whole cost of relief upon the rates of the Union in which the necessity for relief happened to arise would place an unfair burden upon the ratepayers of particular localities. The Board therefore arranged with the Treasury that repayment, in some cases of the whole cost and in others of one-half the cost, should be made from Exchequer funds to the Guardians.

Owing to the organization for the payment of allowances not being complete in all places at the time of mobilization, in many cases the dependants of men called up for active service were compelled by their immediate needs to seek relief from the Poor Law. It was subsequently arranged that a grant to enable these sums to be repaid to the Boards of Guardians should be made from the National Relief Fund, and that the names of the recipients of relief and all entries showing they had received Poor Law relief should be struck out of the records of the Guardians. The amount thus repaid was approximately £900.

War Refugees.—The third section of the Report describes the work of the Local Government Board in connexion with war refugees. The magnitude of the task and the difficulties it involved are clearly shown in the extremely interesting appendices attached to this section. The first two are reports by Mr. Reyntiens and Dr. Farrar of their work at Ostend; the third is a report by Sir Arthur Downes and Mr. Oxley on the institutions provided for the reception of refugees in London by the Metropolitan Asylums Board and the Board of Guardians; the fourth and fifth are reports from Mr. Basil Williams and his successor, Mr. Franklin, on the work entrusted to them at Folkestone, at first

by the War Refugees Committee and subsequently under the authority of the Local Government Board. The last is a report by the Registrar-General on the work of compiling an adequate Central Register of Refugees. Nothing hitherto published gives as correct and as vivid an account of the actual work involved by this influx of refugees as these concise reports of the officers of the Local Government Board.

Public Health Work.—A fourth section deals with Public Health work involved as a result of the war conditions existing in the country.

The Local Government Board, in consultation with the War Office, have organized numerous measures for securing co-operation between Local Military and Civil Authorities in regard to sanitary matters such as the selection of sites of camps, their water supply, drainage, and other sanitary arrangements, the provision of hospital accommodation for cases of infectious disease occurring amongst the troops, the choice of billets, the inspection of food supply for the troops, and the supervision of sanitary arrangements of prisoners' camps. The greater part of the staff of the Medical Department of the Board has been engaged on this work for some months.

Numerous visits have been made by the medical inspectors to the different localities where troops are quartered, to inspect the sanitary arrangements, and these visits have been welcomed by both the military and the civil authorities. Arrangements have also been made for each Medical Officer of Health to inform the military authorities in his area of all cases of infectious disease known to him. Notification to the Medical Officer of Health of military cases of infectious disease has been similarly organized; and when it is considered with what haste the arrangements for the housing and sanitation of the enormous number of men now collected under military conditions in the kingdom were necessarily organized, the extreme fewness of the cases of enteric and other infectious diseases which have occurred among troops is very gratifying. In some places additional accommodation has been provided for use as isolation hospitals, in case any outbreak of fever should occur.

In the middle of August the Board offered the War Office the assistance of their Inspectors of Foods in connexion with the supervision of the work of firms engaged in the preparation of food materials for army contracts. The offer was accepted, and arrangements were set on foot for the institution of special control over this work at the factories and work-places concerned. The value of the work performed in this connexion, and its extreme importance, cannot be over-estimated.

The last two sections of the Report describe the distribution of the Colonial gifts of flour and foodstuffs, a scheme for the supply of coal free or at cheap rates to the poor in London, and the reception and distribution of the Christmas gifts for children of belligerent nations, sent by the United States of America on the collier *Jason*.

NATIONAL HEALTH INSURANCE

REPORT OF DEPARTMENTAL COMMITTEE ON SICKNESS BENEFIT CLAIMS ¹

Few questions connected with the social legislation of recent years have aroused more widespread interest and received a greater amount of public consideration than that of the administration of sickness benefit under the National Health Insurance Act. While it has been generally recognized that the task of bringing so complicated an Act into operation, and its elaborate machinery into working order, has been successfully performed, serious charges against its administration have been raised on all sides. Of these, the gravest has been that sickness benefit claims have been greatly in excess of the actuarial provision, that many approved societies are consequently insolvent, and that the whole financial basis of the Act has been shown to be unsound. The Act has brought to light a vast amount of sickness and disease hitherto unsuspected; but it was felt that the alleged excessive sickness claims might be explained, in part at least, by faults in administration. The Committee, whose Report has recently been published, was appointed in August 1913 to inquire into the whole question of alleged excessive sickness claims and benefits, and into any special circumstances to which they might be due. 'The Committee . . . was not required to conduct an actuarial investigation . . . The question to which the Committee has primarily devoted its attention has been whether the claims made upon the funds . . . of societies . . . were in excess of the claims which under a proper system of administration should have been made upon, and allowed by, them' (§ 4). Their task was 'to examine the actual working of the machine as exemplified in the action of its several parts rather than to investigate the financial results produced' (§ 5), and the Report, dealing as it does with questions touching the life of every member of the industrial classes, is of great general interest. It is not possible here to do more than give a brief summary of the findings and recommendations of the

¹ [Cd. 7687.]

Committee, which are of considerable importance; but the Report itself should be read by all those interested in the question of national insurance, for the discussion of the evidence raises many very interesting questions. The problem before the Committee had to be considered from the point of view of insured persons, doctors, and approved societies; and the witnesses examined by them may be divided into four classes: (a) representatives of approved societies, (b) representatives of the medical profession, (c) representatives from insurance committees, and (d) witnesses who, while not engaged in connexion with any of the agencies on which the administration of the Act devolves, have made a special study of the principles of sickness insurance or of the effects of the Act as in operation, or have watched its working from a standpoint other than that of any of the chief agents engaged.

The recommendations of the Committee may be summarized under three headings: (1) those dealing with men's sickness experience, (2) those dealing with women's sickness experience, and (3) those dealing with general questions of administration. It will be seen that the Committee believe that while much may be done by improved methods of administration to reduce the amounts paid in sickness benefit, experience has shown that justifiable sickness claims have been considerably in excess of the figures anticipated, and that therefore additional provision will have to be made in future to meet them.

(i) *Men's Sickness Experience*

The Committee find that, taken as a whole, the experience of men's societies as regards sickness benefit justifies the actuaries' estimates. The effect of segregation, however, of persons exposed to special risks or with special predisposition to sickness, in particular societies and branches, has been to produce in some societies excesses over the actuarial provision; while in other societies, particularly those which have made a specially strict selection of lives, the effect of segregation has been to produce an abnormally light rate of sickness. To remedy the evils of segregation, the Committee suggest the formation of a Special Risks Fund, out of which payments should be made to those societies where segregation has produced excessive claims resulting in deficiency, this fund to be formed by a contribution from the Sinking Fund, supplemented by parliamentary grant (§§ 4-8).¹ Some excess, however, is felt to be due to mismanagement,

¹ The numbers refer to the findings and recommendations of the Committee, pp. 67-77.

especially in societies where finance is centralized but local officials are vested with control over expenditure ; and it is recommended that all societies should be called upon to consider carefully the system of correlation between supervision and payment with a view to the establishment of (a) uniformity throughout the society's operations, and (b) strict supervision and control from the centre (§ 11).

(ii) *Women's Sickness Experience*

Taking women as a whole, however, the Committee find that experience shows that sufficient provision has not been made for the sickness benefit granted to women under the Act, and that therefore either the amount paid as premium is insufficient or the amount of the policy money is too great, and that this applies both to married and to single women (§ 18). The sickness claims of women have presented greater difficulties by reason of (a) the greater difficulty in determining the question of incapacity in the case of women, and (b) the inexperience in the conduct of women's insurance of those administering the societies. In both sexes, however, great difficulty has been caused by doubt as to the meaning of the criterion of incapacity set up under the Act, and the Committee recommend that at the earliest possible moment the conditions of sickness benefit should be more precisely defined ; and that sickness benefit should be payable, as indeed is usually (though not invariably) the case, when an insured person is incapacitated from following his usual occupation (§§ 20, 25). These difficulties as to the criterion apply especially in the case of women ; and in particular doubts have arisen as to whether a woman incapacitated by pregnancy, and that alone, is entitled to sickness benefit. Some societies have paid benefit to those not strictly entitled to it, others have arbitrarily excluded from sickness benefit all pregnant women, whether incapacitated or not. One of the most important of all the recommendations of the Committee is that there should be an entirely new benefit for all pregnant women, payable in respect of the last four weeks of pregnancy, and that in the case of women incapacitated by pregnancy, further payment should be made for a period of four weeks previous to the last month ; women in receipt of this benefit being required to abstain from remunerative work. The funds of societies cannot, of course, bear this extra charge ; the Committee therefore suggest that application should be made to the Treasury for the provision of such sum as will remove the whole financial burden in respect of the payment of this benefit from the funds of approved societies (§§ 34-6). These proposals, however, will not meet

adequately the justifiable excess claims of women; the Committee were convinced by the evidence they received (pp. 50-1) that women are more liable to illness than men, and that the Act has disclosed an enormous amount of sickness among women hitherto unsuspected. Financial equilibrium might be obtained (a) by increasing the weekly contributions on behalf of women, (b) by reducing the amount for which each woman is insured; but the Committee consider it impossible to adopt either of these methods. Recourse must therefore be had to an increased grant from the State or to an increase of the portion of each weekly contribution which under the statute goes to the benefit funds of the societies. The course which the Committee consider most practicable is to divert to the funds of societies a portion of the sums which now go in redemption of reserve values (§§ 40-2).

(iii) *Questions of Administration*

The discussion of the evidence brought before the Committee as to the work of medical practitioners under the Act, and their attitude both towards their patients and towards approved societies, is one of the most interesting sections of the Report. Considerable dissatisfaction has been expressed by the societies with regard to doctors; and it is felt by the Committee that doctors, very rightly considering it their paramount duty to cure their patients, have as a whole not yet realized their responsibility towards the whole system of national insurance, and their relation towards approved societies in particular (pp. 36-8). The Committee believe that in many cases doctors have given certificates for sickness benefit in circumstances in which those certificates were not justified. Several causes to which this may be due are brought forward by the Committee, perhaps the most important of them being the two following: (i) a general attitude of sympathy, and a desire in some cases to relieve distress, whether due to sickness or not, without regard to the general security of the financial scheme of the Act; and (ii) the fear in some cases of offending patients and employers by refusing certificates, and of consequently losing patients (§ 46). There have been constant difficulties on both sides; but it is felt that the work of societies, who are the judges under the Act as to whether a person is entitled to sickness benefit, has been rendered in many cases far more difficult by the vagueness of the statements on the doctors' certificates presented to them. The Committee consider that, except in exceptional and specified cases, the certificate should contain a precise statement as to the nature of the incapacitating condition,

so far as it is known by the doctor; and that wherever certificates are intentionally vague, the doctor should furnish a full and confidential statement to the medical referee. For, in view of the inevitable difficulties in regard to certificates the Committee consider it necessary that there should be established as soon as possible a system of medical referees, to whom, in cases of doubt as to incapacity, approved societies and doctors should have access. The appointment of referees should be vested in the Commissioners, and the cost met by a small fee from societies in respect of each case referred and by moneys voted by Parliament. Experience only can show whether whole-time or part-time referees will prove most satisfactory and what area should have access to a single referee, but the Committee think that experiments should be made as soon as possible in different areas, and a certain number of whole-time referees appointed (§§ 67-76).

The Committee consider that sickness visiting as at present carried out is less efficient than it might be: (a) because too often the visitor is a part-time and not a full-time visitor; and (b) because visits are not made before sickness benefit is paid, as is in most cases desirable. Further there seems to be a certain lack of system in many cases as regards visiting; and the provisions of the Act that visiting in the case of women should be performed only by women has not been sufficiently observed. The Committee consider that both the scrutiny of women's claims and the payment of benefits in the case of women should be entrusted to women to a far greater extent than at present (§§ 57-61).

The Committee believe that the institution of a system of nursing for insured persons would tend to shorten sickness claims, and recommend that any nursing service for insured persons should be correlated with the administration of medical benefit under the Act (§ 62). Medical benefit is so closely connected with sickness benefit that the attention of the Committee was inevitably drawn to it in many points; and, while making no specific recommendations, they suggest that the whole scope of medical benefit should be considered at an early date by a Departmental Committee or Commission (§ 65).

ROYAL COMMISSION ON THE CIVIL SERVICE :
FIFTH REPORT ¹

THE DIPLOMATIC AND CONSULAR SERVICES

THE long and important Report of the Royal Commission on the Civil Service, which was published in April 1914,² and which attracted so much attention, dealt only with the Civil Service proper, and did not therefore complete the inquiry of the Commission, which was appointed to consider the organization and working of the Civil Service, the Diplomatic and Consular Services, and the Legal Departments. The Fifth Report, which has now been issued, deals with Diplomatic and Consular Services ; the Legal Departments still remain to be considered.

Although the Diplomatic and Consular Services have been made the subject of a separate inquiry, the Report which is now under consideration cannot rightly be viewed apart from the important Fourth Report of last year ; here the fundamental principles which were there laid down are applied and adapted to the requirements of a specialized service, and the recommendations, therefore, must be considered in connexion with those proposed for the Civil Service.

The present Report is in two parts : the first dealing with the Diplomatic Corps and the Foreign Office, and the second with the Consular Service. It will only be possible here to consider the more general in character of the many important recommendations of the Commission.

One of the main principles underlying the recommendations in the Fourth Report was that all branches of the Civil Service should be recruited from the widest ranks possible ; and in the present Report the first recommendation of the Commissioners aims at widening the area of selection for the Diplomatic Service. After giving particulars of the existing scales of pay in the Diplomatic Corps, the obvious criticism is made that 'as the attaché gets no pay at all for his first two years of service, and only the wholly inadequate pay of £150 per annum for probably the ensuing four or five years, the Diplomatic Service is effectually closed to all His Majesty's subjects, be they never so well qualified for it, who are not possessed of private means. The official conditions of entry into this service fix the amount of private means required at a minimum of £400 a year'. The effect is to limit candidature

¹ [Cd. 7748].

² See *Political Quarterly*, No. 2, May 1914, pp. 191-7.

to a very narrow circle, and it is shown that of the successful competitors for attachéships from 1908-13, 67 per cent. came from Eton, and in only one case was any other University than Oxford or Cambridge represented. Accordingly, the Commissioners recommend that in future the salaries and allowances in the Diplomatic Service shall be so adjusted as to make it possible for a member of the service to live upon his official emoluments, and that the existing property qualification shall be abolished (Part I, chap. iii, §§ 11-13).

Another important principle laid down in the Fourth Report was that open competition should be adhered to, and, wherever it was applicable, extended, and that all such limitation as depends on personal selection by a minister or an official should be abolished (Fourth Report, chap. v, § 7). It is felt, however, that the conditions of the Diplomatic Service call for very special qualities, for which the test of competitive examination alone is insufficient ; and the Commissioners consider the existing Board of Selection an essential part of a proper system of recruitment. They propose, however, that it should be reconstructed on a broader basis, and should include a non-official member ; and also that the existing requirement that applicants should first obtain the permission of the Secretary of State to appear before the Board of Selection should be removed, and applications be laid directly before the Board (Part I, chap. ii, §§ 1-4). It is further recommended that candidates for the Diplomatic Service and for the Foreign Office should compete in one examination, and that this should be completely amalgamated with the Class I Examination ; thus candidates failing to secure places in these services would have the opportunity of entering some other branch of Government employment (Part I, chap. ii, §§ 5-7). In this connexion the Commissioners call attention to the principle of transferability of officers from one Department to another, recommended in their Fourth Report (chap. viii, § 24), and propose that it should be applied to the Foreign Office as to other Departments of State (*ibid.* § 7).

The Commissioners recommend that the Diplomatic Establishment of the Foreign Office and the Diplomatic Corps should be amalgamated, under the name of the Foreign Service, up to and including the grades of Assistant Under-Secretary of State and Minister of the Third (or Lowest) Grade, and names entered on one list in the order of their seniority. The Secretary of State should be free to select any officer of the amalgamated grades for service at home or abroad ; but all officers should normally have some experience both of departmental and of

diplomatic work (Part I, chap. iii, § 14). The salaries, therefore, throughout all ranks should be graded upon a basis of definite correlation between the two branches of the service; and it is suggested that the grade of Attaché should be abolished, the grade of Third Secretary absorbing it, with a salary of £200 a year, rising in annual increments of £20 to £500. Since, however, social duties play an important part in a diplomatist's daily life, and residence in foreign capitals usually involves larger expenditure in rent than residence in London, it is proposed to supplement salaries by foreign allowances, varying in amount with the expensiveness of living in different countries (*ibid.* §§ 15–18). In the case of Ambassadors and Heads of Missions, salaries would be distinguished from *frais de représentation* (*ibid.* § 10.) The necessary expenses due to transfers ordered by authority should be borne by the State; and it is thought that the intervals between such transfers should be somewhat longer than at present (*ibid.* § 19).

With regard to the very important question of promotion, the Commissioners think that while promotion in all cases must finally rest with the Secretary of State, the previous examination of claims should be confided to a Committee which should report to him, and they refer to the principles on this subject laid down in their Fourth Report (chap. xiii, §§ 4–8). This Committee should be presided over by the Permanent Under-Secretary of State. In the case of diplomatic officers, transfer from one post to another is hardly less important than promotion; and it is suggested that the regulation of transfers should be confided to the Committee proposed for the regulation of promotions. It is felt that the system of transfers should be placed, as far as possible, on a basis of definite principle, i.e. that diplomatists should have experience of all kinds of posts; that the amenities of a particular post should not be the determining factor in selection, but that ordinarily officers should proceed from one kind of post to another in natural sequence (Part I, chap. iv).

A short section of the Report (Part I, chap. iii, §§ 21–2) contains some observations on the staff of Commercial Attachés. The Commissioners think that these should be advisory officers, and should not be engaged, as is now frequently the case, on the ordinary diplomatic duties of a mission. Their districts should not be larger than they can travel over effectively;¹ and they should spend the greater part of their time in travelling through them, and only three months of each year in Great Britain.

¹ It is pointed out that under the present system there is one Commercial Attaché for Germany, Holland, Denmark, Sweden, and Norway.

There should be Commercial Attachés for the American continent.

The second part of the Report deals with the Consular Service. Here the Commissioners again declare in favour of the principles of open competition and closer co-ordination between the educational system of the country and the Civil Service Examination.¹ It is felt that the attempt to recruit among candidates already possessing commercial experience has been unsatisfactory ; and it is recommended that 'recruitment should be by open competition in all branches of the Consular Service' and that 'the principle should be adopted of taking young men at an age corresponding to a definite stage in the educational system of the country, and then training them for their work'. On passing out of training, a probationer should be appointed to the grade of consular assistant to a Consulate abroad, where he would be instructed in the actual duties of a consul. (Part II, chap. ii, §§ 4-6).

To the principle of appointing unsalaried or trading consular officers to unimportant posts the Commissioners oppose no objection, but they recommend that in every case the unpaid consul should be under the supervision of a salaried consular officer of superior rank (Part II, chap. v, §§ 2-5). With regard to fees, which are now levied in stamps and accounted for by the consular officer to the Foreign Office, the Commissioners show that they received no satisfactory explanation of the principles on which the charge of them is regulated, and that they found considerable variety of practice in different consulates : they therefore recommend that in future all fees, without exception, should be appropriated in aid of the Vote for Diplomatic and Consular Services, such allowances as appear proper being granted instead (*ibid.* § 7). The existing system of consular inspection should be continued, more clearly defined, and extended to all parts of the service (*ibid.* §§ 9-10).

Finally, the Commissioners recommend that in deciding upon promotions and transfers, the Secretary of State should be assisted, as in the case of the Foreign Service, by a Promotion Committee, and that transfers should be regulated on the principles suggested for the Diplomatic Service.

The Report is signed by all the Commissioners, with the exception of Mr. Snowden, who was absent from England during the concluding stages of the inquiry. A few of the Commissioners, however, attach certain reservations, which are given at the end of the Report.

¹ Fourth Report. Recommendations 2, 3.

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- Diplomatic Correspondence* respecting the War, published by the French Government. (Cd. 7717, 1d.)
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- Government Assistance to Credit and Business.* Further papers relating to the measures taken by His Majesty's Government for sustaining Credit and facilitating Business. (Cd. 7684, 1½d.)
- Government Belgian Refugees Committee.* First Report of the Departmental Committee on Questions arising in connexion with the Reception and Employment of Belgian Refugees in this country. (Cd. 7750, 6½d.) See p. 164.
- Board of Trade. Report on State of Employment* in the United Kingdom October 1914. (Cd. 7703, 4½d.) December. (Cd. 7755, 1½d.)
- Local Government Board.* Report on the special work of the Local Government Board arising out of the War. (Cd. 7763, 4½d.)
- Royal Commission on the Civil Service. Fifth Report of the Commissioners.* (Cd. 7748, 5½d.) See p. 178.
- National Health Insurance. Report of Departmental Committee on Sickness Benefit Claims* under the Act. (Cd. 7687, 9d.) See p. 173. Minutes of Evidence, 4 vols. (Cd. 7688-7691.)
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- Police of the Metropolis.* Report of the Commissioner and of the Chief Surgeon for 1913. (Cd. 7671, 8d.)
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- Board of Trade. Report on Strikes and Lock-Outs,* and on Conciliation and Arbitration Boards, 1913. (Cd. 7658, 1s. 3d.)
- Local Government Board. 43rd Annual Report,* 1913-14. Part II. Housing and Town-Planning. (Cd. 7610, 9d.)
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LOCAL GOVERNMENT

EDUCATION AUTHORITIES AND THE WAR

WHEN war broke out the schools were closed, and education authorities (like the banks) had a moment's respite in which to think and to make their plans. They were affected by the new situation in several ways. In some of the eastern counties, schools have been requisitioned for troops; training colleges are being used as military hospitals; teachers and officials enlisted; the distress occasioned by the war called for an increase in the social work done by education authorities; increased expenditure was to be expected, and a falling-off in some of the ordinary sources of income. There was always a danger that education might be treated as a luxury on which the country might economize in a time of stress. Fortunately the spirit of the people responsible for the administration of the educational system has resisted any such tendency; on the contrary, education authorities on the whole have responded to the lead given to them by the President of the Board of Education to regard the circumstances of war-time as an opportunity and a challenge.

On the whole, the ordinary work of education authorities has been carried on with very little disturbance. Where school buildings were requisitioned, the Board of Education urged the authority not to allow the schools to suffer, and authorized them to occupy any temporary premises they thought fit without waiting for the Board's sanction. In some districts the schools have been so fully occupied by troops that no alternative was open to the authorities but to close them for a time; in others, however, where the pressure was less severe, the system of double shifts was adopted. The children of one school attended in the morning, those from a neighbouring school used the same premises in the afternoon. The enlistment of teachers may have one incidental effect of interest; there was a shortage of qualified men teachers even before the war, so that women will in many cases have to be employed for work that was formerly done by men. In the London County area, where the men have opposed the proposal to introduce more women into boys' schools, 850 men teachers have joined the colours, and it is very improbable that enough men will be available, with the qualifications which the London Education Authority require, to take their places.

The relief work thrown on to education authorities was referred to in the last issue of the *Political Quarterly*. It is fortunate for the children, and therefore for the future of the country, that the ten years preceding the war have seen the organization of school-feeding, medical inspection and treatment, some public provision for the care of babies, and some provision for the after-care of children leaving school. The example of London may be quoted again.

When the schools opened on August 12, ten days before the scheduled day, the facilities for granting free dinners to all necessitous school-children automatically opened; and before the end of the month the number of children being fed showed an increase of over 150 per cent. on those for the corresponding weeks of 1913. This large increase during the first weeks of the war is partly accounted for by the number of soldiers' and sailors' children who were obliged to be fed pending the wife's receipt of separation allowance. Now since the raising of this allowance, and also by the close co-operation between the care committees and the Soldiers' and Sailors' Families Association, very few military and naval families are left on the necessitous list. The total number of dinners being given, though in many districts showing signs of returning to the normal, continued for the whole London area over 100 per cent. in excess of last year. During the half-term holiday, October 26-30, the children had to be fed, this being the first time that holiday meals have been paid for out of the rates.

At the outset of the term a circular was issued to the care committees and the head teachers calling attention to the probable scarcity of juvenile employment during the winter, and urging (a) the retention at school of boys and girls who would in the ordinary course be leaving, (b) the return to school of children of fourteen who had lost their work. The latter suggestion has proved itself quite inoperative, and the former has not met with much success. A more practical and attractive scheme has been the opening of ten special day trade and commercial schools for those juveniles, especially girls, who have lost their employment. These have been opened in various districts and are in close touch with Juvenile Exchanges, enabling those in attendance to get the first chance of work when vacancies occur. But even these classes have nowhere been crowded. The medical inspection work is going on in the schools as usual, and though there is difficulty in getting treatment at some of the hospitals, which are having to curtail greatly the out-patients' departments, the Council Treatment Centres are all carrying on their work as usual.

The Education (Provision of Meals) Act, 1914, and the Grant for Special Educational Services, which escaped the fate of Mr. Lloyd George's other proposals to relieve the pressure of local taxation by new Exchequer grants, have turned out to be extraordinarily opportune. The former, by permitting local authorities to provide school meals without waiting for the Board of Education's sanction, and without limiting its expenditure on food to a halfpenny rate, and by allowing the provision of meals on holidays and other days when the schools are closed, gave local authorities the legal power to cope with the sudden distress among children in August last ; the latter, by relieving them of half the expense, encouraged them to use their powers. The new grant has also enabled many schools for mothers, babies' welcomes, and similar institutions for the care of infants, to carry on and even extend their work in spite of the general falling-off in the incomes of all organizations dependent on voluntary subscriptions ; the State will bear as much as 50 per cent. of their expenses, the Board of Education administering the grants in the case of institutions such as schools for mothers, the primary object of which is instruction, the Local Government Board administering them in the case of such institutions as baby clinics, the primary object of which is medical and surgical advice and treatment. The new grants are conditional on local arrangements being satisfactory ; they should therefore tend to force up the standard of provision in these services. That they are already beginning to have this effect is shown by the case of Hull ; there the Education Committee in the past has adhered to the unsatisfactory system of feeding the children at public refreshment-houses ; now, under the combined pressure of a twelve-fold increase in the number of meals needed and the fear of losing the new grant, the Committee has adopted proposals for organizing a municipal supply of meals. The strain of war has come before the public provision for the health and after-care of elementary-school children has been uniformly and efficiently organized ; but the distress occasioned by the war would have been infinitely greater but for such organization as exists. And in this field the effects of the war are likely to be lasting. The distress occasioned by the war is not, it must be repeated, exceptional ; many periods of trade depression have been accompanied by more acute and widespread distress. But the distress occasioned by the war is notable ; the war acts as an advertisement both of the existence of social distress and of the means by which local authorities can meet it. Hence the defects in our social arrangements which the war brings into prominence are likely to receive serious attention, and the

extension it occasions of the public provision for the prevention and relief of distress is likely to be a permanent extension.

In the impressive letter which he addressed on August 29 to his 'colleagues in the national service of education', the President of the Board of Education said 'the time of our trial and proving is also the time of our opportunity'. The opportunity to which he primarily referred was that of continuing the education of elementary school children who had reached or passed the school-leaving age. It was expected at the time that there would be a great deal of juvenile unemployment; although the expectation has not in many places proved correct, the policy based upon it is interesting. Local authorities have sought, first, to induce children who were about to leave school to remain; secondly, to induce unemployed children between the ages of fourteen and eighteen either to return to school or attend day or evening classes specially arranged. In Huddersfield, Birmingham, and London, day classes in technical subjects have been arranged. In the West Riding the Committee circularized the schools as to openings for classes of this nature; but found that the sudden expansion of industry due to war contracts made any new educational work difficult. It is some indication of the calmness with which the war has been taken that at the opening of the session the attendance at evening classes showed no material falling-off as compared with ordinary years in the West Riding; in Bradford (where fees are reduced one-half) and Huddersfield, attendances were above the average. In Leeds an attempt is being made to compel single women who are out of work to attend a concentrated course of technical training, and married women who are in need of relief to attend classes in cooking, garment making and repairing, and home-management, as a condition of receiving any grant from the relief fund. The movement for better agricultural education has received new impetus from the danger in which war inevitably places the country's food supplies. In Cumberland and Westmoreland a committee has been formed to encourage and assist the utilization to the fullest extent of all gardens, allotments, and vacant spaces, in the hope that the pressure on food supplies may be relieved and something found for the unemployed to do. A good deal of land has been put at the Committee's disposal free, agricultural teachers are acting as technical advisers, and sixteen local allotment societies are at work. In Yorkshire, Leeds University has been active in giving advice to farmers and gardeners on the best use of their land and stock, and in other parts of the country a similar policy has been pursued.

Other opportunities have presented themselves. The Board

of Education has circulated a statement of England's 'case' in the present war, and suggested that the subject should be dealt with by the teachers. Without in any way criticizing either England's case or Mr. Pease's statement of it, one may perhaps be permitted to point out that the action of the State in 'inspiring' the utterances of teachers is one of the practices of the Prussian State which we in England have most strongly criticized. More consonant with English traditions is the attempt of the West Riding, Bradford, and other authorities (as well as unofficial bodies like the Workers' Educational Association) to use the interest which the war has created to develop the study of the recent history and the geography of other countries; the Board of Education has issued some admirable suggestions for such study.

Something has been done for the education of soldiers in training. Many education authorities have prepared schemes at the suggestion of the Board of Education, and several have organized classes, for example the London Authority at the White City, the West Riding Committee at several centres in the Doncaster area. The need for such work was perceived by the Board; it was expressed by a member of a sergeants' mess in an article in the *New Statesman*. Many recruits would but for the war have been attending evening classes after a day's work at least as strenuous as their military exercises, and short courses on such subjects as French, Geography (especially map-reading), History, Hygiene, would probably have met with a wide response. The War Office, however, apparently thought otherwise, and the local military authorities showed no more desire to support the work. Consequently no very considerable amount of work has been done, and an educational opportunity has been lost. At Petersfield and in some other places voluntary organizations like the Workers' Educational Association have carried through classes and lectures, and some educational use has been made of the recreative centres provided by the Young Men's Christian Association.

Reference should perhaps be made to the 'war on German trade' and the part that education authorities might play in it. Much of the talk about capturing German trade is very loose, and is based on a misunderstanding of the conditions of international exchange. The capital and labour of this country (or of any other country) are limited; they cannot do more than they can do, so that if we 'capture' a German industry we shall have to relinquish some industry in which we are at present engaged—unless indeed we hope to carry the new industry on with the small proportion of workers who from natural defect or technical ineffi-

ciency are unable to retain a place in existing industries! The most, then, that we can do, *as a community*, by capturing German trade is to substitute more profitable industries for the industries in which we are at present engaged; individuals may gain by the growth of a new industry or the expansion of an old industry at the expense of German competitors, but against their gain must be set the loss of those other individuals who produced the exports which we formerly sent in exchange for imports from Germany, or whose businesses suffer from the withdrawal of capital and labour to establish the new industry. The success of the Government's dye-works scheme, for example, would mean, first, that the dyers would have put into the new industry capital which they could employ to much better advantage in their own businesses; and, secondly, that our imports having fallen by the value of the dye-wares we no longer import, our exports would fall by the same amount.

The sole question that we have to determine then, is not whether we can capture trades or branches of trades which at present we leave to other countries—there are very few manufacturing industries which our captains of industry could not capture provided the Government gave them a large enough subsidy—but whether the industries we have not got would pay us better than the industries we have got. The Protectionist considers that the Government should decide this question and should, by means of protective tariffs, favour those industries which it decides will pay the country best, to the discouragement of less-favoured industries. Hitherto this country has acted on the opposite principle, the Free Trade principle of leaving individual traders to settle in open competition with individual traders of other countries what industries will pay us best. We have relied on the self-interest of individuals to direct the capital and labour of the country into the channels in which they can be most profitably employed. It has been taken for granted that our dependence on another country for some commodity was in itself proof, either that the production of that commodity, although we might possess facilities for it, would not pay us so well as the branches of production in which our capital and labour was already engaged; or that the commodity was one that our economic circumstances made it difficult for us to produce.

Such opportunity as the 'war on' German trade offers to education authorities is confined to the second case, the case in which our present economic conditions make it impossible for us to engage in a trade which would pay us. The aniline trade is probably such a case, the obstructing circumstance being the lack

of available chemists ; the South American trade may be another, our ignorance of the Spanish language hampering us there. Education authorities have it in their power very largely to alter the country's economic circumstances, by increasing the technical capacity of the population. That, however, is hardly a task that can be taken up and carried through in the course of a war. It is; moreover, a task on which they are constantly engaged ; the most that the war can do is to give us an opportunity of establishing a footing in industries for which we have been preparing for some time. The war may serve to point defects in our systems of technical education, it may indicate new directions for our educational efforts ; but it is hard to see how education authorities can give any very effective help during the war itself. Moreover, if the State is to give up its policy of *laissez-faire* in regard to the country's industries—and the war has merely emphasized a tendency very noticeable before—education authorities will have to consider *all* the circumstances of a trade, in deciding which new trades to favour. An industry may be desirable on more grounds than the one ground considered hitherto, that it will yield greater profits than some existing trade ; it may be desirable, because it is steady and free from unemployment, or because its conditions are conducive to health and the development of the nation's physique, or because it requires and therefore develops initiative and self-reliance in the worker, or merely because it will introduce a useful variety in the social life of a locality dependent on a single industry. It is on grounds such as these that agriculture has received the special attention and subsidies of the last few years ; if butter-making were an objectionable, unhealthy, and low-paid occupation, we should be grateful to the Danes for making our butter for us, and we should make no attempt to displace them in our market.

In conclusion, it may be said that the ordinary educational services of the country have been maintained practically unimpaired, the social work of the authorities has been of great value, and if the new educational activities have not been very extensive in the aggregate, they are significant. They are significant of a new spirit in the educational system, expressed in Mr. Pease's phrase 'trustees of posterity' ; the experiments in dealing with distress and unemployment in the present crisis may be expected to bear fruit in the next period of trade depression.

LOCAL AUTHORITIES AND RESTRICTIONS ON THE
SALE OF DRINK

THE Governments of the countries engaged in the present war have shown a greater regard for the health of their soldiers than in any previous war, and a livelier sense of the temptations of camp life. This country can point to no regulation so heroic as the Russian prohibition of vodka, or even the French prohibition of absinthe ; but the emergency legislation (including under that head Proclamations and Orders in Council as well as Acts of Parliament) includes some very drastic provisions. By the Intoxicating Liquor (Temporary Restriction) Act, 1914, 'the licensing justices for any licensing district may, if they think fit, upon the recommendation of the chief officer of police that it is desirable for the maintenance of order or the suppression of drunkenness in any case, by order direct that the sale or consumption of intoxicating liquor on the premises of any persons holding any retailer's licence in the area, and the supply or consumption of intoxicating liquor in any registered club in the area, shall be suspended while the order is in operation, during such hours and subject to such conditions or exceptions (if any) as may be specified in the order :

'Provided that, if any such order suspends the sale, supply, or consumption of intoxicating liquor at an hour earlier than nine at night, the order shall not have effect until approved by the Secretary of State.'

This Act is in principle a very wide extension of the powers normally possessed by the justices (under the Licensing Act of 1872) that when any riot or tumult happens or is expected to happen they may order the closing of licensed premises in or near the place of disturbance. The present Act does not empower them to prohibit the opening of any premises, but only the sale of intoxicants during specified hours. They can put the Act in operation only on the recommendation of the chief constable ; his powers apparently are confined to recommending, the justices being allowed to exercise their own discretion as to whether they accept the recommendation or not. It is understood that before taking action they will consult the military authorities.

The justices have taken advantage of the powers conferred upon them in a large number of cases, and have caused licensed premises to close earlier than usual. A difficulty has arisen in some districts owing to the refusal or neglect of neighbouring

authorities to act together ; in the West Riding area a conference of authorities was held to consider whether some course of common action could be adopted, but without success. Isolated action has, however, resulted in a very general reduction in facilities for drinking. Especially has this been the case in large towns in the neighbourhood of military camps and naval stations; and it should be noted that the restrictions have in some cases been extended to clubs. In some districts the local authorities decided that the sale of liquor to women should be restricted even during the hours when the premises were open for the sale of liquor. Such an order, however, required the sanction of the Home Secretary. This was given in one or two of the earlier cases, but since then it appears to have been withheld.

The most stringent restrictions on the sale of intoxicating drink, however, have been imposed by local military and naval authorities, acting independently of licensing and other local authorities. A Regulation issued on November 28, 1914, under the Defence of the Realm Act, 1914, gave the military and naval authorities practically unlimited authority over licensed premises, and deserves quotation :

‘ The competent naval and military authorities may by order require all or any premises licensed for the sale of intoxicating liquor within any area specified in the order to be closed except during such hours or for such purpose as may be specified in the order, either generally or as respects the members of His Majesty’s forces mentioned in the order, and if the holder of the licence in respect of any such premises fails to comply with the order, he shall be guilty of an offence under these regulations, and the competent naval or military authority may cause such steps to be taken as may be necessary to enforce compliance with the order.’

In some places the authority of the justices and the military has been exercised jointly. In others the military authority has issued regulations applying to soldiers only, prohibiting, for example, the sale of drink to soldiers before noon and after nine, or restricting the sale of drink to them to the hours of six to nine in the evening. In Plymouth, Devonport, and Stonehouse the military authority ordered fourteen houses to be closed at six p.m. and forbade the sale of drink to any woman after six p.m. It is reported that at Portsmouth a public-house having disregarded an order was closed for a month and warned that the penalty of another offence would be permanent closing.

When local authorities placed restrictions on the sale of drink

to women, one of the objects they had in mind was to safeguard soldiers' wives against the temptation to drink to excess. Against this measure no one took objection; against another measure with the same object grave objection was taken. Early in November the Army Council issued a Memorandum entitled 'Cessation of Separation Allowances and of Allotments of Pay to the Unworthy'. This order was addressed to all Chief Constables and was forwarded to them with a covering letter from the Home Office. The effect of it was to place soldiers' wives under the supervision of the police. It was modified after a protest had been made against it in the House of Commons, but its effect was unchanged, and it was supplemented by a further order to Army Paymasters to supply the Chief Constables with a card index of all soldiers' wives in their districts. Hitherto only criminals have been thus recorded by the police, and great indignation was expressed. The Home Office has, however, explained away the objectionable meaning attached to the order, and no police supervision is to be imposed.

One action of the military authorities under the Defence of the Realm Act, 1914, has justly attracted much attention. Certain women in Cardiff were notified that they were not to be out of doors between 7 p.m. and 8 a.m. They went out in defiance of the order, and were arrested. They were tried by court martial and sentenced to sixty-two days' imprisonment. The women were reputed prostitutes, but the ground of their sentence in court was merely their disobedience of a military order. The action is significant, first, because it indicates that the Defence of the Realm Act practically places the country under martial law, if the military authorities wish it; secondly, because it illustrates the inevitable confusion and difficulty which a camp introduces into the ordinary police administration of a district.

Reference may be made to an attempt, by voluntary effort, to deal with one of the problems that has arisen in connexion with the army in training. The National Union of Women Workers received reports from various quarters that present conditions were leading to much that was undesirable in the conduct of young girls in the neighbourhood of the new camps, who were excited by the unaccustomed presence of large numbers of soldiers. The Union received the permission of the authorities to organize, where desired, bodies of Women Patrols, who will have the support and assistance of the police in doing what they can to maintain order. The Metropolitan Chief Constable has agreed to sign a card for each patrol in the metropolis,

stating that she is a worker authorized by the N.U.W.W. and desiring the police to render her any necessary assistance. The Home Secretary has circularized the Chief Constables throughout England asking them to do the same ; and steps are being taken to establish a similar system in Scotland and Ireland. The Union has obtained the services of twenty whole-time organizers, who are at the service of local committees formed to introduce the movement. The patrols are voluntary workers. They are asked to give a definite number of hours each week to the work. Women over the age of twenty-seven, who have had experience of dealing with girls, are preferred ; rescue workers are not chosen for the work. The duty of the patrols is to go about in couples in the neighbourhood of the camps or in the streets when the men are off duty. Often their mere presence helps to preserve order ; but their aim is, where possible, to enter into friendly relations with girls whom they see loitering about, to introduce them to clubs and other institutions working for the benefit of girls in the neighbourhood, and if necessary report cases to the local rescue workers. The system is in operation in over thirty centres, and, although the results (as with most voluntary work) are uneven, they are abundantly sufficient to justify the system. The experience of the patrols may help forward, when peace returns, the movement for the appointment of women police officers ; in Hull the Corporation has already agreed to pay two patrols.

LOCAL AUTHORITIES AND THE DEVELOPMENT COMMISSION

The Nottingham City Council has decided to promote a Parliamentary Bill to acquire the undertaking of the Trent Navigation Company and construct locks, &c., at a cost of £150,000, to improve the navigation of the Trent up to Nottingham. The scheme relied in the first instance on a considerable grant from the Development Fund, but the Development Commission finally decided to withhold its grant on the ground that there was not sufficient unemployment to justify them in applying their funds to the scheme at the moment. This enterprise of the Nottingham City Council, an afforestation scheme to be carried out by the Liverpool Corporation at Lake Vyrnwy, and a few cases of harbour works are the only important cases in which individual local authorities have been brought into direct co-operation with the Development Commission.

When one considers the title of the Act under which the Commission is constituted, 'An Act to promote the Economic Development of the United Kingdom . . .', and considers, moreover, that the Commission itself is advisory only, so that it has to rely on existing or specially constituted executive bodies to carry out all schemes within the scope of its deliberations, it might have been expected that the greater part of the Development Fund would have reached the ordinary authorities for local administration. Some of the authorities evidently shared this expectation, for a considerable proportion of the applications to the Commission have come from them. Only a small proportion, however, of these applications have been recommended to the Treasury by the Commission, and it may be worth while inquiring why this is so.

In the first place, the Commissioners, having regard to the limited funds at their disposal, have placed the narrowest possible interpretation on the objects of the Act. The Act, after enumerating a number of objects for which the Fund might be used, concluded with the words 'and for any other purpose calculated to promote the economic development of the United Kingdom'. The Commissioners were advised that these words must be read in the light of the preceding words of the sub-section, and could not, therefore, be held to cover *all* economic development, but only purposes cognate to and *in eodem genere* with those enumerated, i.e. agriculture, forestry, fisheries, land-reclamation, rural transport, harbours, and inland navigation. Hence such applications as that of the Stoke-on-Trent Borough Advisory Pottery Committee for a grant towards the expenses of research into the properties of clay and glazes were refused. And this restriction has been applied thoroughly. An application from the Harwich Corporation for a grant for sea-defence works at Dovercourt was refused on the ground that 'the works were mainly required and intended to improve the resources and amenities of the locality as a seaside residential and watering place, and the Commissioners were unable to regard that purpose as one for which a grant could properly be made from a fund devoted to economic development'. In another case (Balintore Harbour) the Commissioners 'were unable to find that the improvements in view would substantially benefit the local fishing industry, and the benefit that would accrue to the agriculture of the district did not appear to them likely to be such as would justify the grant desired'. On the other hand, they were prepared to recommend a grant to Drogheda on the ground that the harbour's services were essential to the

agriculture of the district. The Commissioners have declared that they cannot 'as a rule assist harbours which are intended mainly for general commercial purposes, as distinct from harbours used mainly by fishermen or for agricultural transport'.

In the second place, the Commission laid down the principle at the beginning of their work that 'so far from recommending advances in relief of existing expenditure, they contemplate using the Fund, within reasonable limits, as a means of provoking expenditure from other sources'. (First Report, p. 10.) Such a condition was not likely to encourage applications from local authorities, who were already overburdened and crying out for additional Exchequer subventions. This principle was justified in the Second Report (p. 4): 'in cases of applications which have a local or sectional as well as a national interest and importance it is right and proper that assistance from the Fund should be conditional on a similar contribution from local or other sources if not previously exhausted'; and the Report goes on: 'No exception has been taken to this general proposition'. Not only, therefore, have Councils been required to give financial support to schemes recommended by themselves, but their support has been made a condition of schemes controlled by other bodies. For example, a grant, subsequently recommended, to the Dee Conservancy Board was made conditional on the neighbouring local authorities obtaining powers from Parliament to guarantee interest on a loan; the Scarborough Harbour Authority has been required to secure a guarantee from the Scarborough Corporation, and the Upper Medway Navigation Board secured a grant because its loans had been guaranteed by neighbouring local authorities.

A third ruling, which reveals a direct antagonism between the Commissioners' point of view and that of local authorities, was given in the Second Report (p. 6). 'The main purpose of the Development Fund is the development of certain industries, particularly agriculture (including forestry) and fisheries—which they understand to mean principally an increase in the production of those industries. Since the money available is limited, this object is not always identical with the development of some of the places where an industry is carried on. For instance, applications on the ground of fisheries development may be received both from small and remote communities of fishermen still using comparatively primitive methods, and from large ports with good railway communication and a fleet of steam-drifters. Money spent in meeting demands of the former class may lead to some increase in production; but it is clear

that the same sum spent at one or two large places where modern conditions prevail will have more effect over a wider area. . . . Much as they sympathize with the small communities who find it difficult to grow and prosper or even to retain their present trade and population against the influence of larger places, they cannot think that the assistance of the Fund should be diverted from the quarters where directly or indirectly it will produce the largest return.' This ruling is only one case of a principle laid down by the Commission from the beginning : 'as a rule an application should be considered not simply and entirely as a disconnected unit, but in the light of a policy which takes account of the requirements of a wider area than a single district or institution'. The consequence of this ruling is that the Development Fund will be used to help the stronger among competing centres of an industry, even if that help enables them more quickly to draw to themselves the trade and population of the smaller centres. The chief districts in which this conflict between the interests of localities and the interests of the trade as a whole has appeared, are the Moray Firth and the Cornish coast. In the former case the Commission sent representatives to make a special investigation into the claims and relative suitability of different towns for new harbours which might serve the industry as a whole ; in the latter case conferences are being held with the County Council to determine what ports are to be selected for development.

Even if individual towns and urban or rural districts proved unsuitable for administering the funds of the Commission, it might have been thought that the counties offered an area wide enough for workable schemes. Many County Councils applied for grants in aid of afforestation schemes, agricultural education and research, improvement of stock, and other objects. The Commission in such cases rarely recommended the Treasury to make a grant direct to the County Council, although the policy of the Commission ensures that *indirectly* a large part of the Development Fund will reach County Councils. The objects for which the Development Fund was instituted are so vast in comparison with the amount of the Fund itself, that the Commission has been able to do comparatively little in the way of actual commercial operations. The most economical (because in the long run the most productive) use it could make of its limited resources was to assist research, the diffusion of scientific knowledge, training and experimenting on a commercial scale. With these immediate objects in view, it found it useless to consider isolated applications from individual authorities,

and adopted instead the policy of making 'block' grants to finance general schemes covering the whole of at least one of the administrative divisions of the United Kingdom. These general schemes were prepared, and the division of labour between different local authorities and institutions determined, by the Central Government Department concerned, which meant in most cases, so far as England and Wales were concerned, the Board of Agriculture and Fisheries.

In their last (the Fourth) Report the Commissioners estimate the total sums they will probably allocate to the different objects of the Development Act out of the resources at their disposal. The resources amount to £2,900,000, being made up of a grant of £400,000 and a payment of £500,000 a year to the Fund for each year of the term covered by the original Act. Of this sum it is estimated that agriculture and rural industries will take £1,100,000; forestry and afforestation, £350,000; harbours, £500,000; inland navigations, £150,000; fisheries, £150,000. In addition, an annual sum of approximately £275,000 will be required to keep in operation schemes which have been sanctioned for such purposes as agricultural research, forestry and fisheries research, and agricultural education, which can be effective only if continued for some years. In all these objects local authorities are interested, and some authorities are taking part in the administration of grants in the case of all of them.

In seeking to promote the development of agriculture and rural industries, the Commission has devoted its attention principally to three lines of action. To quote their own words (First Report, p. 12): 'they aim, first, at increasing the amount and quality of the product of agriculture by assisting the extension of a system of scientific investigation and research, and, with it, of a system of education which will so far as possible ensure that the results of investigation and research will be known and utilized in practice; and secondly, they aim at increasing the variety of production, by placing the cultivator in a position to know whether he can add certain new crops and industries to the existing number with a reasonable probability of profit. Finally, looking at the problem from a rather different and more strictly commercial point of view, they propose to encourage in particular the organization of co-operation—a subject which is expressly named in the Act'. It is in connexion with the first of these objects that local authorities have received their most important new functions. As education authorities, their co-operation has been necessary in carrying out the most important part of the scheme—ensuring

that the results of investigation are known and used. The device by which it is hoped to ensure this end being attained is the *Farm Institute*, which may be described in the Commissioners' words (Second Report, p. 11): 'The essential characteristics of a farm institute . . . are, first, that it should provide instruction less elaborate, prolonged, and expensive, and therefore more suited to the circumstances of the ordinary farmer and small-holder, than the education given by the colleges; and secondly, that it should be the head-quarters of the county agricultural staff, who in one sense will be officers of the institute. Any place which possesses these two characteristics is an institute in [the Commissioners'] sense of the word and is intended to be eligible for grants under their recommendations, whether it has a separate material embodiment in bricks and mortar, or whether it is simply part of an Agricultural College or of a University. In fact, the more closely it is connected with the local colleges or university, the better. Nor do they intend that the courses of instruction to be given at an institute should be all of one kind. As a general rule, they think that the instruction should include short winter courses for sons of small farmers, courses in dairy work, &c., during the spring and summer, and vacation courses for teachers of rural subjects; but if a county prefers and shows good reason for preferring a "farm school", where comparatively young boys reside and are trained in agriculture, they certainly would not propose to exclude it from participation in the grant. Lastly, they have always intended to interpret in the widest sense the words "instruction and educational facilities provided by county councils at or in connection with farm schools or institutes". As they have said, they think that one of the important functions of a farm institute is to be the head-quarters of the county agricultural staff. The work done by that staff (including the itinerant lecturers and advisers, as well as officers who are mainly resident at the institute) is clearly instruction, and it would be a source of much regret to the Commissioners if it were supposed that aid from the Development Fund could be earned in respect of additional lecturers at a farm school or institute, but not of additional lecturers or organizers who are mainly itinerant.'

For the purpose of such agricultural education the Commissioners have allocated £325,000 up to the end of the financial year 1915-16. The administration of the grant rests with the Board of Agriculture. Counties may be combined for the purpose of farm institutes, where such a course is economical. In the original conditions the grant from the Development Fund was not to exceed 75 per cent. of the capital expenditure and 50 per

cent. of the annual expenditure on an institute ; subsequently the Commissioners agreed to the substitution of a sliding scale of from 50 per cent. to 75 per cent. of the annual expenditure according to the financial burden previously undertaken by the local authority for the purpose of agricultural education. In addition to the £325,000 thus allocated (and also to the £50,000 a year allocated to research and technical advice), the Commissioners have offered assistance towards the provision of land for farm institutes.

In approaching the problem of afforestation the Commission found that there was a need, greater even than in the case of agricultural development, of experiment and a scientifically trained staff. Their recommendations, therefore, have been devoted chiefly to securing experimental stations in England and in Scotland, which shall ultimately develop into centres of research and training. In Ireland, however, where the area under wood is only 1·5 per cent. of the total area, and the system of peasant-proprietorship makes private enterprise in afforestation unlikely, the Commission decided that a start might be made with State afforestation, and recommended a grant for the purpose ; the scheme included the purchase of small woods and planting of others for shelter by the County Councils. As a means of securing further knowledge of the possibilities of forestry in Great Britain, the Commission invited applications for loans from local authorities with water-catchment areas and other land at their disposal. The Liverpool scheme is the only one that has so far been approved, and is regarded as a ' test ' scheme ; but others are expected to develop during the present year. The arrangement with the Liverpool Corporation is that not less than 4,000 acres of the catchment area at Lake Vyrnwy in Montgomeryshire shall be afforested, at the rate of not less than 200 acres per annum ; another 1,000 acres is to be planted from time to time in areas of not less than 50 acres in localities where experience has proved that planting may be valuable in future operations. For the initial expenses of planting, an advance is to be made from the Development Fund at the rate of £5 per acre afforested ; in return, the Fund is to receive half the proceeds of the afforestation, as and when they accrue, after deducting an allowance in respect of the expenditure of the Corporation on the maintenance of the forest when planted. The afforested area is to be available for research, education, and demonstration. As an alternative to the profit-sharing scheme adopted by the Liverpool Corporation, the Commission suggested that loans should be made to local authorities for afforestation at 3 per cent. compound interest,

payment to commence when the forest began to yield an income.

Of the remaining objects of the Fund—harbours, inland navigations, and fisheries—harbours are the most important, especially to local authorities. While the Commission has made several grants outright in aid of new harbour-works, it has preferred, where there was a likelihood of the development proving remunerative, to make loans. It has limited its operations in two ways: first, it has confined itself to harbours which serve agriculture and fisheries, to the exclusion of general commercial ports; secondly, it has refused to consider making a grant or loan until application has first been made to the Public Works Loan Board. Little has been done to develop inland navigation, because most inland navigation systems are the property of companies working for profit and therefore excluded from the benefits of the Development Act. In the case both of harbours and of inland navigation, where help has been given it has been as a rule conditional on support from neighbouring local authorities.

Two objects remain, for which the Development Fund was established: land reclamation and drainage, and rural transport. Neither of them has benefited to any considerable extent from the Act. The explanation of this is to be found in the machinery of the Act. The Commission itself is advisory, so that nothing can be undertaken under the Act unless some executive body (not working for profit) will undertake it. Now there seems to be no existing authority directly interested in these objects. In Prussia, land reclamation is one of the functions of the province, a Government area which has no parallel in our system. In Scotland, the Scottish Board of Agriculture has intimated its willingness to act; in Ireland the Congested Districts Board has prepared schemes. In England and Wales the County Councils would seem to be the most suitable authorities for both kinds of work. There are obstacles, however; two of them are indicated in the Commission's last Report: first, the pressure of existing work on the members of Councils, which makes them averse to undertaking new duties; secondly, the necessity which the Commission would impose on the Council of contributing to the cost of any scheme—the Commission is undoubtedly right in regarding the second as the greater obstacle. The character and present work of County Councils offer few precedents for undertakings of either class. They were originally intended to be an intermediate and 'devolutionary' authority—if the term may be permitted—between the central government and the smaller local authorities. The jealousy of the Local Government Board on the

one hand, and the exemption from the authority of the Councils of all boroughs with fifty thousand inhabitants on the other, prevented that intention from being carried out ; the position of the counties is anomalous, and they have not in most cases developed the corporate feeling and corporate enterprise of the boroughs. They have seldom been tempted, except in the peculiar case of London County, to acquire or establish 'reproductive' undertakings, and would hardly feel that the economic projects of the Development Commission were their work. The Commission in their last Report hope that the difficulty has been overcome, in the case of land reclamation and drainage, by the formation of a Land Reclamation Association, a public utility society not working for profit.

REVIEWS OF BOOKS

The Prevention and Control of Monopolies. By W. JETHRO BROWN
(John Murray, 6s. net).

Although there is a considerable literature in the United Kingdom dealing with the tendency of industry towards monopoly, little attention has been given to the practical problems of prevention and control. The Trust movement has not been felt to be a public danger here, as it has in the United States; even when an actual danger has been revealed, as in the case of shipping rings, no legislative action has been taken. On the other hand, in those local services in which monopoly is a necessity for technical efficiency, the policy of municipalization was widely adopted years before the controversy between the advocates and opponents of municipalization arose. That the Trust movement has not been felt to be a danger is probably due to the policy of Free Trade, which has hitherto been a fairly effective check on predatory practices. In spite of Free Trade, however, Trusts have arisen; the experience of the period 1899-1902 has not been wasted, both the possibilities and the limitations of combination being better understood now than ever before; and even Free Trade England will have to make up its mind soon what is to be its attitude to Trusts. Professor Brown's book should help it to make up its mind; indeed, it would be hard to find a better book for the purpose. Two features of it that distinguish it from most other books on the problem of monopoly are both of them advantages: it is based on Australian, not on American, experience, and the United Kingdom is much more likely to develop on Australian than on American lines; it is written by a jurist, and the specialized knowledge and training of a jurist is needed even more than that of an economist in discussing solutions of the problem of monopoly—or any other social problem.

The Prevention and Control of Monopolies is agreeably short. The author makes his points without labouring them; the whole subject is covered, and the different parts treated in due proportion, without the admission of any irrelevant matter; there is no parade of references and examples to support statements that commend themselves immediately to any one who has made any study of the subject. The point of view is that, not

of a partisan of any party or school of reform, but of an administrator responsible for dealing with the problem ; Professor Brown does not occupy such a position, but he has, as chairman of the Royal Commission on the Australian Sugar Refining Industry, been forced to place himself at that point of view. It is not surprising, therefore, that he has discovered no single remedy which will solve all the problems of the State's relations to monopoly. After pointing out that no single remedy is practicable, and that on the other hand it is simply playing into the hands of political extremists to leave the problem to solve itself, he discusses in turn various remedies that have been tried and suggested, indicating the uses and limitations of each. To the policy of imposing a legal limit on the size of corporations he does not attach much importance ; the evil of the large corporation is not its size, which may be necessary for industrial efficiency, but methods of predatory competition which it may adopt. He hopes more, therefore, from legal publicity and the regulation of competition, methods of securing which he indicates. These policies are not, however, sufficient to deal with cases of persistent and fairly complete monopoly, and chapters viii and ix contain a discussion of nationalization and public control of prices as more adequate means of meeting the case. While Professor Brown assigns a very wide field within which nationalization (or municipalization) is *prima facie* desirable, he does not think it is a remedy that should be applied generally, on two grounds : first, that it is hard to supply in the State service the constant incentive to efficiency which profits afford in private industry ; secondly, that where two remedies are available, that should be chosen which involves the lesser extension of the sphere of State action and responsibility. The latter reason is put forward not on the ground of any general objection to the extension of State enterprise—Professor Brown's recommendations imply an extension of State action that would shock many people who regard themselves as progressive in the United Kingdom ; but simply on the ground that the State's functions are extending rapidly in other directions—education, public health and morals, regulation of wages, &c.—and there are limits to the load that the machine of State will bear.

The most interesting chapters of the book are perhaps those in which the policy of the public fixing of prices is justified and illustrated by reference to certain concrete cases of Australian industry. The circumstances under which the policy can be adopted and the machinery by which it must be carried out are indicated. The recommendations of the Royal Commission on

the Australian Refining Industry are summarized and the grounds of them explained, and the powers of the Commonwealth Inter-State Commerce Commission discussed. It is argued that for the regulation of competition and the carrying out of a policy of public price-fixing, a Commission is needed with administrative as well as judicial powers.

The account, given in the last two chapters, of the 'New Protection', to which Australia is committed, is extremely interesting, not only for its bearing on monopoly, but also as showing how very close in principle the New Protection of the twentieth century is to the old Mercantilism of the sixteenth and seventeenth. Australia does not, having protected an industry, leave the distribution of its proceeds to the ordinary forces of competition; it extends its protection to the wage-earners and other classes, who need the State's assistance against internal pressure as much as their employers do against external pressure. And industry is not treated—as Free Traders and ordinary Protectionists treat it—as if the increase of product was the sole end of State regulation; industries must subserve the general ends of the State, and one such end is a White Australia. Hence the attitude of the State to the sugar industry; 'while the growers, millers and refiners represent the great bulk of the capital which is invested in the sugar industry, the relative importance of these classes from a national point of view must be determined . . . by reference to the extent to which they severally contribute to the great problem of the settlement of the tropical or semi-tropical areas. Most of the refineries are established in temperate regions. Mills may, and in a number of cases do, represent the capital of persons living in the temperate regions. Wage-earners come and go. The growers, as a class, are tied to the lands. It follows that they possess a unique importance and a special claim to legislative protection'.

The account of Syndicalism in chapter ii, although it is interesting in itself and although Syndicalism is sometimes put forward as an alternative to State control of monopolies, does not add much to the value of the book. Moreover, by treating Syndicalist *proposals* more seriously than they deserve, it lays less emphasis than is just on the most important element of truth in the Syndicalist criticism of society. It concludes with a quotation from Mr. Philip Snowden: 'By some means or other an industrial system must be devised which will give the workman a direct interest in his work, which will give him the maximum amount of control over his labour consistent with the maintenance of the maximum of efficiency of production'.

It is precisely against this point of view that Syndicalism is a significant protest. The worker's 'interest in his work' and 'control over his labour' should not be limited by the needs of maintaining 'the maximum of efficiency of production'. It is a bad system of production, rather than the bad system of distribution, that is attacked, a system that treats the workers merely as means of production, not as ends in themselves, and regularly sacrifices the producer to the product. The State, by carrying the concentration of responsibility and of directing work further than in private enterprise, emphasizes the characteristic evils of capitalist production, and only offers the worker a little more product in exchange for the interest it takes out of his work. Even if 'the maximum of efficiency of production' is not maintained, a change that made the ordinary worker less of a machine and more of a man would be a reform. The conditions of work are at least as important for welfare as the amount of production, and trade unionists, without calling themselves syndicalists, have always based their policy on this Ruskinian principle.

HENRY CLAY.

The War and Democracy (Macmillan & Co., 2s. net; with bibliographies and 8 maps).

This book, the joint work of five writers, is the most useful and practical contribution yet made to the literature of this war. Mr. Zimmern's chapters on Germany are lucid, fresh, and exactly what is wanted for his readers; he makes them vivid by his intimate knowledge and use of Heine, Fichte, Bülow, Bismarck, and Wilamowitz-Moellendorff, to explain the German mind of to-day, the demand for 'a place in the sun', the futility of the Social Democrats. But he never raves; he even helps us to get quit awhile of Treitschke and Nietzsche, and to study the contrasted systems of education, German and English, as the root cause of the conflict (chapter ix).

Chapter v, by Mr. Dover Wilson, meets the English objection that Russia means Siberia and pogroms, the Russification of Finland and Poland, the reign of bureaucracy and corruption, and a future danger greater than the present German peril. Against this, he brings out the essential democracy of Russia and her religiousness; 'I feel in Russia that for the first time in my life I am in a country where Christianity is alive', was said by Mr. H. G. Wells. He explains her unanimity in this war, the real meaning of the Revolution in 1905, the aims of the Intelligentsia, the failure of the Duma, the hopes of the future; and

asks pertinently, Is Russia's need of political reform any greater than our need of social reform ?

The same writer in chapter ii sketches the remaking of the map of Europe since 1814 according to Nationality, and what remains to be done ; he answers the questions, What is the relation of Nationality to race and to the idea of social reform ? Why was the unification of Germany so different in course and in results to the unification of Italy ? Why did 1814 fail to bring about a new era ? Is there a future for small States ?

Austria, Hungary, Servia, the Slav question, the Balkan Wars, are treated by Dr. Seton-Watson, the recognized authority on these subjects. Is the new Europe to be better than the old, which dates back to that crime the partition of Poland ? Has Austria progressed since 1866 ? What are the facts of the Magyar rule ? What does the rise of Servia mean ? What was the inner history of the murder of King Alexander, and of the murder of the Archduke, and of the Austrian ultimatum to Servia ? These are questions to which every one wants an answer, and the answers given to them are profoundly interesting, as are those to the complicated problem, How should the map of Europe and the Near East be reconstructed on the principle of Nationality ? 'It is not a talisman which will open all gates', but it gives the best prospect of a broad settlement.

Mr. Greenwood deals excellently with the social and economic aspects of the war. 'In a month Britain became near to being a co-operative commonwealth' ; 'spinner, miner, machinist, are doing national services in as true a sense as army and navy'. Will some of this feeling last ? He disposes of the statement of Dr. Usher, in his rather unequal book, that 'Germany is literally self-sufficing', and takes a different view from the Round Table and the Oxford Pamphlet on the German Economics. The combined effect of State intervention and the navy has been to put 'Great Britain in a much superior economic position to her adversaries'. The war will hit the trade unions hard ; and therefore he urges not so much 'the capture of German trade' as the development of needed home works, as housing, roads, parks, &c. He gives sound warnings of what must follow the war : the weakening of credit and therefore of production, the operation of indemnities, the possible revival of Tariff Reform, the opportunity to increase output by 'scientific management', the enlarged State control of industry. 'The future depends upon the spirit of the people at the close of the war.' Democracy will have a new pride in its rank and file, a new attitude on social problems and especially on foreign policy ; above all it has to learn that the Empire means Democracy (chapter ix).

The principles of Mr. H. N. Brailsford and the 'League of Democratic Control' are strongly advocated in chapter vi: 'Foreign policy is already in its essence fundamentally democratic and depends not upon politicians but upon peoples', a proposition surely both true and false, and like the whole chapter, a little mysterious, suggestive of 'I could make your flesh creep if I chose'. This thought, that Democracy is now on its trial, is also the note which is struck in the Introduction to this most timely and interesting book, and which gives a unity of aim and tone not usual in a composite piece of work. A. L. SMITH.

The War of Steel and Gold, by H. N. BRAILSFORD (G. Bell & Sons, 5s. net).

This book is likely to have an influence perhaps deeper and more permanent, if not so widely diffused, as the influence of Mr. Norman Angell's *The Great Illusion*. Mr. Brailsford's style is no less clear, terse, and vigorous; his matter fully as original and stimulating; while his method never descends to mere dialectical fencing, and his conclusions aim at constructive measures of immediate practicality.

Even if we accept his contention that the key to the whole system of balance of power, alliances, and armaments, is finance, yet it is surely too much to say that all the other causes of national rivalry and suspicion are only secondary effects of this; and that 'all the while there is nothing really at stake in Europe, nothing at least that is vital to democracy'. Is not nationality a potent cause of friction and armament? Is not the issue between military autocracy and industrial democracy one of 'vital interest' to democracy? Like many reformers, he attributes all the evils of the universe to the one root which he is attacking; he almost ignores the plurality of causes. Thus imperialism to him is simply an ill-effect of this influence of the armament ring, assisted by the monopoly of diplomacy by an exclusive 'caste'. But this is all aimed at the rule in our service, that a diplomatist must have an income of £400 of his own. This does not constitute a 'caste' any more than in the United States. Men of £400 income do not necessarily all think alike; and in Russia and France there is no such rule, nor will it last long here.

Mr. Brailsford sees this boggy of finance everywhere, and perhaps sometimes sees it where it does not exist. At any rate, to say 'we went to Egypt merely to secure usurers their 12 per cent., and our rule there has done no good', is to make two wild statements.

To trace the whole mischief to finance he has to argue that because home problems are always more interesting to electors than foreign policy, this means that foreign policy gets left to experts, and these bring into collision 'two peoples who have no quarrel, like the English and Germans'. Written in March 1914. Would he say the same in December 1914?

The chapter in which there is least to question (chapter v) is that in which he disposes of Mr. Norman Angell; for, admitting that war is an economic folly, yet Mr. Brailsford points out that the purpose of armaments is not to make war, but to *bluff*; they are trump cards, e.g. in 1908 the Triple Alliance with the ace takes Tripoli and Bosnia, but in 1911 the Entente holds the better cards and takes Morocco and Persia. In the next chapter he has some trenchant things on the Socialist proposal to stop war by the general strike. As he says, it would not touch the preparation for war, this ceaseless silent war of steel and gold, armaments and finance. But it was an unlucky prediction to say we cannot believe German Socialists will show ardour in shooting French workmen; and he thought Socialism as strong in France.

His three practical propositions are (i) to control diplomacy by public opinion, (ii) to denationalize the export of capital, (iii) to create an organization of Europe better than by 'balance of power'.

The scheme for democratic control of diplomacy is to hand over foreign policy to an Imperial Parliament above the House of Commons, to counteract the secrecy of diplomacy by a Standing Committee of Parliament, and to throw open the Diplomatic Service. But these steps all imply an interested, intelligent, and educated democracy, and when will that be? The same question arises when democracy is called upon to control the export of capital. His proposal to abolish capture by sea and to enable navies to be reduced, would unfortunately mean death to us to whom loss of the sea means not mere loss of power but actual starvation, as we have at any time only six weeks' food in the country, and get three-fifths of our food from overseas. His ideal—the substitution of a European Concert for the present system of counterbalanced alliances—raises the point, What is to be the sanction behind such a Concert? Will nations put their armies and fleets into its hands? Will they have confidence in its impartiality? No doubt this war will lead to a powerful movement towards such a Concert, but it will not come about *per saltum*; and here again all depends on the democratic masses having not only the will but the moral tenacity and the intellectual knowledge required to work for this ideal. The first step needed is education of Democracy.

A. L. SMITH.

The Political Thought of Heinrich von Treitschke. By H. W. C. DAVIS (London: Constable, 6s. net, 1914, pp. 1-295).

Selections from Treitschke's Lectures on Politics. By ADAM L. GOWANS (London: Gowans & Gray, 2s. net, 1914, pp. 1-128).

Both of these books consist mainly of translations from the writings of Treitschke, and both are *livres de circonstance* in the sense that they are designed to satisfy the curiosity about the new German theory of the State, which Professor Cramb's book on England and Germany did so much to awaken. Mr. Gowans's book is a faithfully accurate translation of passages from each of the twenty-seven sections of the *Politik*. It includes most of the crucial passages—on war, on political morality, and on international law—which deal with the issues confronting Europe to-day. Mr. Davis's book takes a wider scope. Interwoven with the numerous extracts, which come not only from the *Politik*, but also from the *Essays* and the *German History*, is something of a sketch of Treitschke's life; something of a sketch of the course of German history during part of his life; and something of a summary and a critique of his views. Six chapters (pp. 1-116) sketch the development of Treitschke's opinions in relation to contemporary history; three (pp. 117-226) contain an account, chiefly in Treitschke's own words, of the theory of the *Politik*; and a concluding chapter (pp. 227-88) gives the passages from the *German History* which bear on English politics during the years 1814 to 1877. The translation, which is the work of Miss Winifred Ray, and which occupies the greater part of the book, is good both in scholarship and style. Mr. Davis's own commentary and exposition are sound and judicious. Notes are appended which explain the allusions in Treitschke's text; and while for the most part Mr. Davis confines himself to a summary of Treitschke's views, he ever and again stops to make a just criticism or state a weighty objection.

The book might perhaps have left a clearer impression if it had been arranged on a slightly different plan. If the extracts had been put together in one part of the book, with all the extracts bearing on the same topic in close conjunction, and if Mr. Davis's own share of the book had been made into a compact preface, such an arrangement would have brought into relief the two different portions of which it is composed. As it is, Mr. Davis's own commentary is lost among the extracts; and some of Treitschke's political teaching appears in the first six chapters, in isolation from the summary of the *Politik* which appears in the next three. The pity of this arrangement is that Mr. Davis does

not succeed in conveying to the reader a living interpretation and an independent critique, based on his own convictions, of the peculiar philosophy of Treitschke. He gives an invaluable précis, with suggestive hints of criticism (as for instance on p. 125); but perhaps he has not had sufficient time, in a work necessarily written *currente calamo*, to get a definite *Anschauung*. He speaks, for instance, on p. 125 of Treitschke's 'doctrine of nationalism', while later, in pp. 184-9, he makes Treitschke dismiss the 'nostrum of nationalism'. Some reconciliation seems necessary.

We are probably asking too much if we expect from Mr. Davis any treatment of the relation of the theory of Treitschke to the general political theory taught by German scholars at the present time. There are, of course, other treatises on *Politik* than that of Treitschke. Roscher has written a work with the same title; Jellinek's *Allgemeine Staatslehre* is perhaps the accepted text-book in German universities; and the writings of Laband and, above all, of Gierke are classical. Gierke at any rate is not so full of the zeal of the State as Treitschke; and there are English thinkers who have found comfort in his writings. But it would be a difficult matter to estimate exactly the comparative influence which Treitschke has exerted in modern Germany. The present reviewer must confess that when he first read the *Politik*, some four years ago, he thought of Treitschke as a *vox clamantis in deserto*. It was the book of General von Bernhardi, which is frankly based on Treitschke's *Politik*, that first opened the reviewer's eyes to his error; and the policy of the German Government at the beginning of the war completed the disillusionment.

There are one or two passing errors in Mr. Davis's book which may be noticed. On p. 36 Mr. Davis suggests that in the constitution of the German Empire the central government is 'not dependent upon the pleasure of State-governments for the enforcement of its laws'. But such dependence is a feature of the federal system in Germany, as in Switzerland. On p. 135 the *Rechtsstaat* is identified with the police-state, of which, more properly speaking, it is the antipodes. Finally, perhaps by oversight, any mention of the essay on Milton, an interesting monument of the early opinions of Treitschke, seems to have been omitted.

ERNEST BARKER.

Mr. Chamberlain's Speeches, edited by C. W. BOYD, with an Introduction by the Right Hon. AUSTEN CHAMBERLAIN, M.P. (London: Constable & Co., 2 vols., 15s. net).

These two volumes of speeches, selected with great fairness and judgement by Mr. C. Boyd, represent the political teaching of

Mr. Chamberlain. No better index could be found than their character of the changed conditions of modern politics. Mr. Chamberlain could put a case with singular clearness and force, and he was a ready and effective debater ; but he seldom desired or achieved eloquence, and these speeches, apart from their subject-matter, cannot be read with the zest with which we still read the speeches of Bright, Gladstone, or Disraeli. Moreover, one must always remember that Mr. Chamberlain's best title to fame was his work as an administrator. Starting from the dubious background of the strictly organized party machine, he succeeded in making Birmingham municipal life a triumph of purity no less than of efficiency ; and, at the Colonial Office, it was his administrative work in connexion with the Crown Colonies, as the untiring chief of most zealous and loyal subordinates, which must always remain the chief proof of pre-eminence. Mr. Chamberlain's political creed was, in fact, simple enough. He believed in party politics as a means of increasing human happiness ; and he believed in the British Empire as the embodiment of the aims and ideals of the British race. Consequently, he started life as a Radical, when it seemed as though the causes of radicalism and social reform were closely intertwined, and he became a Unionist when he believed that imperialism had become inconsistent with latter-day radicalism, and when, moreover, he found that measures of social reform could equally well be promoted by his new friends.¹ Mr. Chamberlain may or may not have been right ; but there is no reason to ascribe to moral depravity a change which can be naturally accounted for in other ways. The parting of the roads came with Home Rule ; and it is noteworthy that Mr. Chamberlain's original objections to Mr. Gladstone's first Bill were mainly concentrated on the clause which banished the Irish members from the Imperial Parliament. He considered that Home Rule in this shape was a measure of disintegration, whereas he would have welcomed a measure of Home Rule after the model of the Canadian Confederation. Mr. Chamberlain said in January 1887 : 'There are very many people who believe that the result would be, if we ever got into a war, that the relations between us and our colonies would be so strained that they would break away altogether, and I think it is not altogether impossible. . . . Is that the position that you want Ireland to occupy ? . . . The tie which binds us to Australia is a sentimental tie. That is very valuable, and I hope it may

¹ Note that in 1859 Chamberlain canvassed for the Liberal-Conservative candidate at Birmingham 'in opposition to the "Quaker's" views on foreign policy'. *The Life of John Bright*, by G. M. Trevelyan, p. 280.

long continue to exist. But I hope more than that, I hope we may be able to strengthen it; I hope we may be able, sooner or later, to federate, to bring together all the great independencies of the British Empire into one supreme and imperial Parliament.' British statesmen have not been wanting in vague and pious aspirations after closer union—e.g. Disraeli commended the methods of the American Union, in dealing with expansion, without apparently recognizing that the pivot of those methods was a federal system. But Mr. Chamberlain differed from other British statesmen in being a practical man; and, with him, the recognition of the need led to the fashioning of a remedy. In a striking passage of a speech delivered at Newcastle on October 20, 1903, he explained the genesis of the Tariff Reform agitation. 'I have done everything in my power to bring it [a federal council] about on several occasions. . . . I have ventured to speak, on behalf of my countrymen here, and to say to our kinsmen beyond the seas: "We want your aid, we call you to our councils; come and take a part in them", and they have decided they will not advance along that line and federate in that way. . . . I tried next in connexion with imperial defence. Again I was beaten by the difficulties of the situation; but I did not on that account give it up, and I come back, therefore, to this idea of commercial union, which will bring us together, which will necessitate the council, which council in time may leave us, though it will not find us, a great, united, loyal, and federated Empire.'

We know how this political ideal seemed to many to become swamped in the quicksands of dubious economics and quack panaceas; but, throughout, Mr. Chamberlain himself, it is certain, never ceased to think imperially. We know also the tragic sequel—how in the fullness of his powers the leader was struck down, condemned to a living death; how, further, he lived to see the Unionist Party shake itself free, for the time, of that portion of his policy which represented its imperial aspect. All this Mr. Chamberlain witnessed, and yet he remained cheerful, hopeful, even confident. 'What are the qualities', he had asked the Boer delegates at Pretoria in January 1903, 'What are the qualities which we admire in you? Your patriotism, your courage, your tenacity, your willingness to make sacrifices for what you believe to be right and true.' Verily we may say of Mr. Chamberlain

'Mutato nomine de te

Fabula narratur.'

H. E. EGERTON.

Political Thought in England from Bacon to Halifax. By G. P. GOOCH (London: Williams and Norgate, Home University Library, 1s. net).

This admirable little volume suggests once more the constant question, Is it better to secure a detailed survey, or to aim at a discriminating presentation of only the salient features of a great historical landscape? In the remarkable series of which this is one of the latest issues every author is confronted with this problem. And in most instances the claims of both methods are so great that compromise is the only solution.

In the book before us the rich and varied nature of the materials has compelled the author to emphasize the complete and detailed survey. And we are glad that he has taken that line, for he has succeeded in giving the most vivid impression possible—a religious and political ferment expressed in an astonishing variety of ideas and programmes. He has thus suggested the salient feature of the time, by forcing us to encounter an army of arresting and opposed thinkers.

Full justice is done to such mighty teachers as Hobbes, 'the most explosive English thinker of the century'. There are attractive sketches of Bacon, Milton, and other soaring minds. But the detailed series of lesser yet fascinating writers is never interrupted. The fertility of this abundant period seems to suggest that nothing in modern thought can be called really new. Here are projected in the seventeenth century the theories of the eighteenth and nineteenth. Harrington with his ballot box and compulsory State education has a very modern ring, while Fox's condemnation of slavery suggests Clarkson's prize-essay more than a century later. Englishmen who read this book will cease to pride themselves upon that fiction of the essentially practical and empirical character of British thought. They will find the dreams of Rousseau and the airy doctrines of modern communists neatly anticipated, and clad in the equally fervid language of religious and political enthusiasts.

A strong feature of the book is the number and excellence of the selected quotations. These are chosen with great discrimination, and enable the reader to get quickly to the core of each writer's thought. This is particularly marked in the chapter dealing with Halifax, which is one of the best pieces of work in the volume.

When the author, at the end of his task, leaves the series of writers and initiates a more general survey, he gives us two excellent essays on the relation of the State to religion and to trade. But we should have greatly liked to have a third essay,

in which the political results of the century should be indicated. It is indeed suggested, in passing, that Halifax had seen clearly the old failures and the new needs, and that the divinity of kings quitted England in the baggage of James II. But the final pages are devoted to an appreciation of Sir William Petty, while we were looking forward to something of a more general character which might help us to realize the conclusion of the whole matter.

G. H. WAKELING.

The Tory Tradition : Bolingbroke—Burke—Disraeli—Salisbury. By GEOFFREY G. BUTLER, M.A. (London : Murray, 1914, 3s. 6d. net).

This book has, we fear, fallen into the hands of the wrong reviewer. It has, at any rate, fallen upon unsympathetic times. Its mere title is sufficient justification for this criticism. What have we to do with Tories or Radicals any more ? If, indeed, either during or after the war, any such persons open their mouths, they ought to be treated as Arthur Young proposed to treat the ' first member of the French National Assembly who should mention the word *corn* ', viz. ' have an inkstand crammed down their throats '. For, if we go on playing our ridiculous party games, unmindful of the lessons the war is teaching, and will yet teach us, we shall deserve to be like the people of the island of Crete in Mr. Kipling's admirable story of the future. It will be remembered that, in that story, a Parliament was maintained in Crete as a show, and that excursions from all the world were organized to go and see it and laugh at its antics.

Mr. Butler is, however, a thoughtful writer, and as the book consists of a series of lectures delivered to the University of Pennsylvania, it would not have been without its justification if it had appeared at another period in the history of the world. It consists of an attempt to show that a similar ' tradition ' can be found in the political utterances of four ' statesmen ',—Bolingbroke, Burke, Disraeli, and Salisbury. We suppose it is a ' traditional list ' ; yet it strikes us as rather an unfortunate one. The right of Burke, who of all political philosophers came nearest to the greatest of the Greeks, to be included in such a list of Tory statesmen, only one person would ever have questioned ; but that person is, unfortunately, Burke himself. It was ' the Old Whigs ' to whom he ' appealed ' ; Whig he was born, and Whig he believed that he died. It is our gain (for the present reviewer writes as one who, in that ' B. C. ' before the war, called himself the most reactionary of Tories) if we now know that there was at bottom no truer champion of all that Conservative statesmen hold dear than

Edmund Burke. Yet, good lack ! what a light does it shed upon our miserable system of parties that this should be so, that the truest Tory that ever lived, lived and died believing that he was a Whig ! As for Bolingbroke who 'betrayed the Elector to the Pretender, the Pretender to the Elector', and played, wholly on behalf of Henry St. John, the most shameless game of open faction that any politician ever played, may Heaven defend the 'Tory Tradition' from such a champion ! For, as Mr. Butler elsewhere shows, the tradition itself has been a very good one ; it has consisted very largely in an age-long protest against party legislation, against mere 'nose-counting' as the basis of political power, against the purely utilitarian and commercial views of government, and in favour of the Organic State in the best (i.e. the Aristotelian) sense of the word. What had Bolingbroke to do with an organic State ? his whole life was devoted to pure faction, and his political philosophy, 'clever', to that last degree in which cleverness becomes charlatanry, as it was, is just as shallow as Burke's was deep. When we come to the inclusion of Disraeli in our crew some of us old Tories may be inclined to question whether he were a good stroke for our boat or a bad one ; some of us may even range ourselves rather with Lord Cromer, whose deliberate opinion on Disraeli Mr. Butler quotes on page 92. 'Tickling the mob', 'a phrase-maker', 'popular government'—oh, to what an indictment might not these quotations lead ! For ourselves we prefer to say, 'Pass, thou doubtful figure, from the stage ; we deny thee not supreme cleverness ; but of thy ability we should care to write as little as of thy honesty'.

It is refreshing to be able to conclude with a note of real praise, and we think that Mr. Butler has very happily hit upon the Elizabethan vein in the statesmanship of Lord Salisbury, a statesmanship of inheritance, producing a man of 'transcendent qualities of brain and heart, the Father of the Country, a great Christian gentleman'.

C. R. L. FLETCHER.

Italy's Foreign and Colonial Policy : Senator TOMMASO TITTONI
(London : Smith, Elder & Co., pp. 382, 7s. 6d. net, 1914).

This selection of the speeches delivered in the Italian Parliament by Signor Tittoni during his tenure of office as Minister for Foreign Affairs, from 1903 to 1909, first appeared in Italian as *Sei Anni di Politica Estera* in 1912. Its appearance in English dress is therefore somewhat belated, nor is the English dress especially well fitted to convey the strength of the original. Only one-third of the book deals with questions of foreign policy proper, and it is

as a useful book of reference to some transitory phases of Italian colonial and economic policy that we must recommend it. The treatment, for instance, of the questions of emigration to America and of the development of Eritrea is excellent and of some permanent value.

As a record of foreign policy, however, the speeches have little value, partly from the form that they take of replies to 'interpellations' from senators or deputies of the Opposition, partly because parliamentary speeches tell nothing more than the Government of the day thinks fit to tell. Signor Tittoni was, it is clear, a warm supporter of the Triple Alliance up to 1909: he is at great pains to defend it against Irredentist speakers or popular hostility: he declares (December 15, 1903) that the Austrian Government has no intention of denying to its Italian subjects an autonomous university: he refuses to rake up the tales of the Algeçiras controversy: he upholds free Albania as the only possible ideal for both Austria and Italy. It is impossible to help surmising if Signor Tittoni has altered his point of view in later years. Does he, for instance, still agree with his Italian editor that 'the friendship between Italy and Austria-Hungary gives the Triple Alliance a character of geniality and stability which makes its influence decisive upon the destinies of Europe', or that 'the Triple Alliance became always more the stable and unchanging pivot of Italian foreign policy'? Would Signor Giolitti back that? It is legitimate to doubt it.

More important for present problems is Signor Tittoni's handling of the Bosnia-Herzegovina crisis of 1908-9. Probably no part of his policy was more criticized by his own countrymen, and we are bound to say that his defence, as represented in the speeches under review, does not strike us as convincing. He admits that the Austrian action in the annexation was a violation of treaty and of the public law of Europe, but he points to the fact that the simultaneous restoration of the Sandjak of Novi-Bazar to Turkey cut Austria off from one approach to the Adriatic, while her abrogation of Article 29 of the Treaty of Berlin set up Montenegro between her and Albania. Did it not strike Signor Tittoni that to restore Novi-Bazar to Turkey was to thrust a wedge between Serbia and her ally Montenegro? Could he say of what avail the Montenegrin ports would have been if the Austrian proposal for the Novacs-Mitrovitz railway had been realized, as he contemplated with equanimity? These, and others, are questions for Signor Tittoni's countrymen; but we must be allowed to say that we seem to see in these speeches the desire to have the best of two worlds. It is impossible to belong to a system of alliances

that aims at a Germanized Turkey, a downtrodden Servia, a humiliated France, and an isolated England, and at the same time to hope for cordial co-operation with England and France in Africa or for sympathy with national aspirations in the Balkans.

Mischiate sono a quel cattivo coro
 Degli angeli che non furon ribelli,
 Nè fur fedeli a Dio, ma per sè foro.

K. FEILING.

The Export of Capital. By C. K. HOBSON, M.A., F.S.S. (London : Constable & Co. Ltd., 7s. 6d. net.)

This is among the most interesting and useful theses that have been written for the London University doctorate in economic science, and it deals with a subject of which the importance, not confined by any means to the economic sphere only, has grown at an enormous rate during recent decades—a subject admitting of treatment the most austere, or the most romantic, according to the temper and the standpoint of the writer. On the side of austerity it holds out a temptation to engage in the sort of analysis that evaluates surd quantities to the hundredth place : on the side of romance it allures to gaping wonder at the restlessness, or enterprise, or interdependence, of human units and human groups. Mr. Hobson has given us good measure alike of analysis and of narration, satisfying adequately both demands, and he has done so in a style of such lucidity and charm that the book may be pleurably read, though not absorbed, at a single sitting. Not many essays written for higher degrees deserve this praise. Not a little of that charm is due to the author's obvious awareness of many aspects of his subject that do not enter into his chosen areas of research.

A recent catch-phrase made it inevitable that the author should first address himself to the exclusively economic side of his investigation. While it was not necessary to rebut the supposition that foreign investment was 'a new and portentous phenomenon', it was essential to investigate the good or evil resulting to the investing country from an outflow of capital of such unparalleled dimensions as to engage the serious attention of the House of Commons. Further, the questions of morality and of national and international politics, which the export of capital inevitably involves, need for their own solution a prior inquiry into the economic reactions and effects of the movement of capital between different countries. Mr. Hobson shows quite clearly, as a first determinate result, that the flow of capital to

those parts of the world which most need it must be economically advantageous, first to the world as a whole, and secondly to the investing country as a whole. Unfortunately, this comfortable result cannot stand unqualified, though high probability of general truth attaches to it. More unfortunately still, most avenues of closer inquiry lead to results at present indeterminate. To give one illustration: it would provide an answer to many questions if we could achieve a comparison between two unascertainable quantities, the total *amount* by which foreign investment has increased the national income, and the consequent diminution in the workpeople's *proportion* of that income. Unless compensation for the latter is somehow covered by the increase of the former, it is clear that capital may gain at the expense of labour, and of land. It is, however, not without significance that the third section of the work, which is mainly statistical, shows periods of active foreign investment broadly coincident with a large volume of emigration, a low degree of unemployment at home, and (though in less degree) with large home investment.

In respect of these, as of many other details, we must leave the reader to Mr. Hobson's very lucid statement of the points at issue. The economist will find no difficulty anywhere, though the general reader will need to follow carefully. It is for the latter's sake that we express regret that some few parts of the author's argument, clear as they are, have been packed so closely.

There follow certain chapters in which the history of foreign investment is recounted, somewhat meagrely until the eighteenth century, but in considerable detail for the eighteenth, when England, or rather London, came to hold the financial supremacy of the world, with France, Germany, and the United States in turn showing ever-increasing capacity to export capital. Among the most interesting lines of treatment is that in which the author shows how control over capital invested at a distance has become more easy and effective, and the field more and more open to the small investor, who can only widen his financial horizon slowly and under considerable risks. This second section of Mr. Hobson's work is as full of profitable allusiveness and illustration as the first.

It is no disparagement of Mr. Hobson to point out that his much-needed investigation forms the starting-point of many others. Most of them are adequately suggested in the last six or seven pages of his introductory words. He has at any rate conducted his own inquiry so skilfully and reasonably that we venture to suggest to him that they might usefully be made the basis of further thought and writing.

F. W. CUTHBERTSON.

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The Political Quarterly

THE CABINET AND THE NATION

THE supreme question at the present time is the concentration of national and imperial resources on the work of bringing the war to a successful conclusion and establishing the basis of a durable peace. As every month passes by the magnitude of the task becomes more evident, and we realize not only the greatness of the naval and military efforts required to ensure a successful result, but we see as they come nearer the complex and far-reaching problems which await solution when once military and naval supremacy has been asserted. For the present the more urgent question is the united support of the operations in the field and of the measures subsidiary to this end in the civil world at home. The greater and more effective the concentration on this problem the sooner and the surer will come a settlement of the issue ; and therefore with the growing sense of the magnitude of the task, there is rising silently the demand for greater united effort on all sides.

Now in this situation it is necessary to take stock of the extent to which there is, in the supreme government which directs the policy of the country, that co-operation of parties which the unprecedented crisis of the present demands. It cannot be too often repeated that in these months the Nation and the Empire face the most vital

issues in history, and that analogy and precedent cannot guide men in dealing with a situation so complex and so critical. At such a time if the organization of the supreme government is not as complete and as united as it should be, then the whole scheme of operations at home and abroad suffers. In times of peace the influence of government on public life has been increasing; but in times of war the influence of government rises to an extent far beyond anything which we can yet imagine in times of peace. In times of war the nation looks to and leans upon its government; it feels that with them rests not only the information which is vital to a right decision but also the means of taking action which can lead to the desired result. At such times the instinct of most men is to shrink from criticism; they feel even the responsibility of private judgement which, based on very imperfect information and a limited outlook, may create a distraction or secretly destroy some measure of that general confidence which is essential to the successful conduct of affairs. Confidence—of the country in its government, and of the government in support of the country—is the supreme need at such times of crisis. The maintenance of national confidence is one of the conditions essential to that single-minded concentration of energy which must absorb the thought of the nation; and the attrition of national confidence is one of the dangers which has to be kept constantly in view. For this reason nothing could be more mischievous or more disastrous to national welfare than the emergence in a time of national crisis of party spirit in politics. The active and open co-operation of parties is essential to the full confidence alike of a representative government and of the nation which it represents. How do things stand with us in this respect at the present stage?

First of all as regards the nation—there has never been a time in which so great a mass of the people, of all shades of opinion, have been so united in one purpose. It will

always remain one of the most significant incidents in our history that the war burst upon an unsuspecting country at a time when internal controversies had become acute and threatening, and that all parties at once sunk their sharp differences to meet the common crisis. The evidence of that self-suppression of party is strikingly witnessed in the records of Parliament during the months immediately following the outbreak of war, as well as in a thousand forms of public effort and thought. But what it is very important to observe is the development of public feeling during the nine months since war was declared. There has been a growing sense in the nation of the magnitude and gravity of the crisis, and a recognition that the greatest sacrifices must be made to achieve the end in view. Public opinion has been consolidating in these months. The very crises through which Labour has come have served to bring home to all parts of the community, the employer and the employed, the producer and the consumer, the need of mutual confidence, of forbearance and of devotion to the public interests. It is felt on every side that the man who puts private interests before public duty, or party interests before country, or self-indulgence before efficiency, is a traitor. In our national temperament such a conviction of the gravity of the crisis grows slowly, but it grows surely. The index of national unity is steadily rising, and the significance of this fact will be seen in the feelings which are showing themselves amongst men of all parties with regard to government in war-time. For just as in face of the task before it the country grows more united, so it looks more anxiously to Parliament and particularly to the Government into whose hands it has committed the guidance of affairs. What then of the position of Government in war-time? This is the second question.

The outbreak of the war witnessed a display of public spirit in Parliament which was worthy of the best traditions of our history. Party controversy was hushed, and if for

a moment it broke out again it fell away as something which could not live in face of the national anxiety which the early months of the war witnessed. And further, there was not only the cessation of party hostilities but the evidence of co-operation between all parties. It was known that the former leader of the Opposition was actively assisting the Government with his advice. The co-operation and special assistance given to the Government by the Opposition was frankly and fully recognized. The Government gave its word that questions of a contentious character would be left in abeyance, and that until the cessation of hostilities no party should be prejudiced by its co-operation with the Government. The Nation saw the leaders of the Opposition co-operating with the Government and was satisfied ; the Committees which were set up included men of all parties, and it was felt that at least some considerable measure of co-operation had been secured. To-day men are asking the question, has this work of co-operation in Government been growing or diminishing? Is there increasing confidence between the parties? Does Parliament reflect in its Government that growing unity which there is in the Nation? Recent events in Parliament and still more certain speeches of members outside Parliament and the active criticism of certain organs of the Press make this question urgent. The feeling is abroad that all has not been done to secure that co-operation and unity which above all the Government should represent. Party spirit is a much stronger force in Parliament than it is in the Nation, and there are evidences that unless party spirit is by active measures kept in check good intentions will be frustrated. Government at such a time should symbolize both in reality and in appearance the unity of the Nation, and this can only be fully secured by manifest and striking evidence of co-operation.

Before proceeding further it is well to face the question, 'What about the criticism of Government in war-time?'

In times of peace it is recognized that criticism is the main function of the Opposition. But in times of war things are different. A patriotic Opposition wishes to co-operate with, rather than to criticize, the Government. Criticism is in abeyance because it is felt that while it may embarrass a political rival it may injure the country. It is no doubt possible that matters may be so badly conducted that to fail to criticize is to neglect a duty. But in times of national emergency, when steps have been taken which are irrevocable, or which at least could only be retraced at a loss which promises to be as great or greater than going forward, then the occasion for criticism has gone. On the other hand, it is possible to do in war-time what, under our parliamentary system, it is not possible to carry out save under very exceptional circumstances in times of peace, namely, to provide for a broad basis of co-operation between all parties before important decisions are taken on lines of action. Every one feels that this, so far as it is possible, is a desirable course. War brings its opportunities as well as its difficulties. It makes it possible to have a form of government which in normal times cannot be realized, and if this opportunity is not availed of to the full, some of the potential advantage of government is lost. What people are most anxious about in war-time is not to have discussion and criticism in public, but to know that there has been the most thorough consideration in the private council of the Government of the various interests concerned, and that before taking action the Government has had the benefit of hearing different views, and especially what can be said against its proposals as well as what is in their favour. No Cabinet can be secure against mistakes, but so long as it is felt that every effort is being made to obtain co-operation and full consideration of measures, public opinion is willing largely to forgo criticism and to pardon mistakes which may have been made. It is felt that where there is the confidential and frank examination of the situation by different

parties in concert there is at least a greater probability of mistakes not only being avoided, but also, when they are made, being put right. Criticism after the event is a poor satisfaction. Not that it is desirable or possible to have a state of no criticism. But in a free country this contingency need not be feared. When criticism passes from being the particular function of the Opposition it becomes a general function. The party Whips are taken off, and while there is the advantage of combination and co-operation on the one hand, there is also in another direction a certain freedom which does not exist so long as the party spirit and the party organization are active. During war, therefore, it is recognized that there should be a moratorium to party politics.

But just as a recrudescence of party feeling and of criticism from a party point of view would be a calamity, so it is not desirable to throw the Nation during the period of war into the turmoil of an election. As it happens, the term of office of the present Government expires in January 1916. Under present circumstances the only right course of conduct is that the period of election should be postponed until a matter of at least six months after the cessation of hostilities. That being so, it becomes all the more important that there should be a real concordat between all parties, and that such a concordat should be strengthened as far as possible by mutual confidence and open evidence of co-operation. So also it is clear that not only all controversial legislation, but the carrying into operation of such legislation should be postponed. This is true, for example, of the Welsh Church Act, as it is also true of the Home Rule Act. The Suspensory Act, which defers the taking of any step to bring these measures into operation until the conclusion of hostilities, is an expression of this sensible understanding, which should be most strictly observed. Such a measure serves to illustrate the fact that during a period of war the suspension of controver-

sial matters has to be complete and thoroughgoing. All parties are being called upon to make sacrifices and to forget as far as possible internal differences, and it is only by the honourable observation of such a principle that national unity can be secured. The period, therefore, of the war should be regarded as *dies non* so far as internal and party matters are concerned.

The question, then, arises : is any further step towards joint action possible ? A coalition Government has been suggested in certain quarters. But if coalition means that certain ministers are to be displaced from the Cabinet in order that other ministers of the opposite party may take their place and hold certain offices of Government, then coalition seems to be a policy which is improbable, doubtful in its results, and unnecessary ; improbable because it is not likely to be accepted, doubtful because there is no assurance that it would work better if as well as the existing plan, unnecessary because for the present the case has not been made out for such a step. But if such a form of coalition presents serious difficulties, one step could be taken which would most strikingly testify to the world the co-operation of all parties in the work of government. The Cabinet is the centre of the British system of government. It symbolizes to the country the unity of the Government. But in modern times the Cabinet has been essentially a party institution. Is it too much to ask that to the Cabinet Council in these unprecedented days there should be invited the leaders of the Opposition in both Houses of Parliament, and also the leaders of the other two Parties, the Labour Party and the Irish Party in the House of Commons ? If it were known that to the Cabinet Council there were summoned these representatives of the different groups of opinion in the State, such a development would express in the most emphatic way the unity of the people and of Parliament itself in the work of prosecuting the war.

This is a step which does not in itself involve the displacement of ministers or the establishment of members of the Opposition in certain offices of Government. It might in practice lead to a closer coalition whereby members of different parties were associated with the Government in the work of particular departments for the term of the war. But, on the other hand, no such development might follow, and yet the step would have been one of the highest significance. To see the Opposition, the Irish Party, and the Labour Party represented regularly at the Cabinet Council throughout the period of the war, would be no ordinary encouragement and example for the Nation itself. It would be felt that thereby an opportunity was given to the various parties of expressing their point of view in confidence to the Government before critical decisions in policy were taken, and that information, even if it could not be made public, was at least being shared by others who were the most responsible representatives of large sections of the community. But these are by no means the only considerations of importance. Such a measure would strengthen the Government in relation to its proper executive duties. In the present crisis the burdens and responsibilities of Government exceed anything which has been hitherto known. It is well that these should be shared with others so far as is possible, and that Government itself should have that strength which proceeds from the evidence of friendly relations and the sense of co-operation. There has been a striking demonstration within the past nine months of the importance of sound political psychology, and part of the highest statesmanship consists in conceiving and shaping those conditions which will be most favourable to the work of government. A party in power which feels its relations with the Opposition growing less friendly, and which is subject to an increasing criticism, if not official at least non-official, from Opposition sources, is not in times of war working under the most effective conditions.

But it is not only in the question of the conduct of war that co-operation is wanted between all parties. It is very important that when the time comes for settlement there should be in this country as far as possible a united front, and that the chief parties of the State should feel that in this vital matter they have been consulted. This will come as a much more natural proceeding if during the crisis of the war there has already been established the practice of calling to the Cabinet Council representatives of the Opposition and of the Irish and Labour Parties. It is certainly very desirable, from the standpoint of the Nation, that in the settlement of terms of peace the representatives in the diplomatic negotiations should have behind them a Cabinet which represents as fully as possible the mind of Parliament and of the People. But there is still a further consideration. It needs little foresight to see that once the war is ended the country will be faced again with the issues in its internal affairs which had become so acute in the summer of 1914, and that other and new problems hardly less in magnitude are likely to arise in the near future. If the different parties have learned to work together in times of war, some of this spirit of co-operation may be carried over to face the grave domestic problems of the near future. It will surely be a matter for regret if, after the war, we should fall back into acute party controversy. For it is evident that the domestic problems which await settlement require the spirit of common council and of compromise; and beyond these national matters there lie Imperial questions of great importance in which it is desirable, so far as possible, to advance in co-operation and to avoid making of them party issues. The question of closer relations with the Dominions is a problem requiring the best statesmanship of the Empire and, if it is to be worthily handled, it must be lifted above the dust of party politics. Thus in shaping our Government in time of war, well or ill as the case may be, we are preparing the way, or failing to do so, for the

wise settlement of problems after the war. There is an unprecedented need for common council at the present time; there is also an unequalled opportunity of bringing in a spirit of co-operation into our system of government which may influence the whole future of constitutional custom in this country, and by so doing may effect the political development of other States which have looked to England as a leader in political development.

But there are still further considerations. The presence in the Cabinet of members of the other national parties would exercise a marked effect outside the United Kingdom. It would give to the Self-governing Dominions, whose fortunes have been so largely entrusted to us, a deeper sense that every effort was being made to carry on the work of government with the co-operation of all parties. To foreign nations it would symbolize the solidarity of the United Kingdom, and would show that our flexible constitution was still capable of adapting itself to meet circumstances. But without some such development it seems difficult to prevent parties drifting more and more away from one another, and the spirit of party criticism and party advantage becoming active. For where there is no growing co-operation there will be itself the feeling that an opportunity is being lost; and because there is the consciousness that that opportunity is lost, there is the tendency to see mistakes in other directions which should not be left uncriticized. That is human nature, and the longer the war is carried on, and the more difficult the task of bringing matters to a successful issue, the greater will be the increase in such tendencies. It is *now* that the time is to secure co-operation.

Such a method, then, of having present at the Cabinet Council during war time the leaders of the other parties seems to merit the most careful consideration. Able as ministers are, it is more than likely that friendly council

with those who have maintained a different point of view in politics will have something to contribute to the common stock either in criticism or in construction. A gain would thereby result to the national interests, and the sum of confidence would be increased. Nor does the proposal involve any real danger to ministerial responsibility. It is a sound axiom in our politics that responsibility for a line of action should rest definitely with a particular minister or with a group of ministers. The responsibility for the determination of the course of action would still lie upon the ministers of the Crown. But ministers will have the benefit of the confidential discussion of measures of action by men of representative opinions before a final decision has to be made. It is not in accordance with our policy of ministerial initiative, nor is it desirable at such times, that matters should be debated publicly in Parliament before the line of action is provisionally settled. Parliament is a body to which ministers have to give account in many things after the real issues have been settled, and it is only by means of such a confidential committee as the Cabinet provides that there can be secured the full and free discussion which it is important to have with regard to any great development of State policy. In ordinary times it is not in accord with the traditions of our system that the Opposition should be informed before the public discussion in Parliament of the line of policy which it is proposed to adopt. But in war-time it is possible to realize a form of Cabinet organization in which the benefit of the advice of all parties is received, though the responsibility for the ultimate line of action remains with the Government. The distinction of the two cases of war and peace cannot be too clearly made. In times of peace a Cabinet has to discuss controversial measures which will be strongly fought by the Opposition in the open arena of Parliament. The Cabinet is itself a body in which there are often different opinions—it may be on questions of principle, it may be on particular

parts of a proposal—and as it is essential that within the party these differences of opinion should be freely and fully discussed, there is an obvious difficulty in the presence of members of the Opposition or of other parties at the meetings of the Cabinet. But in war-time matters are different. There is not, in the ordinary sense of the words, a Government and an Opposition. All parties at such a time of national crisis desire, first of all, to see their country carried safely through the danger-zone. When therefore there has been, as in the present case, an explicit statement made on the part of Government and endorsed by the Opposition, that the period of the war should be a moratorium for party politics, and that no party should be prejudiced as regards its domestic affairs by any action taken during the course of the war, surely it is possible to have at the Council Board of the Nation the representatives of the different parties ?

If such a step were taken it is none the less possible to return to the regular methods of Cabinet government with which we are familiar in times of peace. But it may be found that this constitutional departure in times of war would have its influence for good in the development of government during times of peace. It has been more and more clearly seen, as responsibilities have grown heavier and opportunities greater, that such questions as matters of Foreign Policy and of National Defence are not, in the strict sense of the term, party questions. The development of the Committee of Imperial Defence is in itself an evidence of this political exigency. It is recognized that there must be from Government to Government greater continuity of policy in such matters than is required in domestic affairs. May it not be found possible, if the precedent were established in war-time, to invite to the Cabinet in times of peace members of other parties when questions of Foreign Affairs, or of National and Imperial Defence, or other matters of grave public concern are

under consideration? Our system of Cabinet government has great qualities which no one who has studied the history of this country can fail to recognize. But Cabinet government, like most other human things, has the defects of its qualities, and the problem which has always to be in view is how these defects can be overcome or minimized. The past thirty years have seen a marked growth in the concentration of the initiative in the hands of the executive government, as well as a remarkable extension in the sphere of State action and in the responsibilities which rest upon the Government of the day. There have not been wanting, inside Parliament and without, critics of the system of Cabinet supremacy. We cannot also overlook the fact that in certain other types of democratic government there have grown up forms of representative control in which all parties are more directly consulted, whether we consider the highly organized committee system in the Scandinavian States, or the developments of the referendum and the initiative in Switzerland and other countries. This at least may be pointed out, that in many countries where the separation between the legislative and the executive functions of government is more marked than in our constitution (we refer particularly to the European countries rather than to the United States of America), the growth of the committee system has led to a greater co-operation of parties in the legislature and to a less strictly party type of executive than has been realized in this country. Reflection on this matter, and observation of the working of other types of government will not, we believe, lead to the conclusion that we should seek to divert our constitution from the lines of development along which it has been proceeding. Our constitution offers a type which is on the whole better suited to the circumstances and responsibilities of this country than is to be found in the model of the more advanced European States. But that fact should not blind us in any sense to the importance of seeking to guide the development of

our own constitution along such lines as, while keeping it true to its character, will ensure advantages which at present are better safeguarded by other types of democratic government. The danger of our type of constitution is the excess of party spirit, which in recent years has been fostered by the more perfect party organization within and without the Houses of Parliament. If alongside of that development of party organization there can grow up conventions which lead to co-operation in matters where it is agreed that party interests should not intrude, then proof will have been given of that capacity of the Cabinet system to adjust itself to different circumstances and situations, and of that flexibility which has been the sign of a vigorous and growing constitution. In times of war we are silently determining by our action the future developments in times of peace. No one but feels that the momentous steps which are now being taken in the extension of the functions of government will influence in the coming days of peace the future lines of State action. So too, if in this period of great national crisis steps are not taken to consciously seek to develop the spirit of co-operation and mutual confidence where great issues are involved, it will leave us with a situation less favourable than it might have been to face the political, social and economic questions which await the cessation of hostilities.

It is with the Government that naturally at such a time the first step rests. It is they alone who can take the step of inviting to the Inner Council of the Nation the representatives of different parties; and if such a step be taken, while it involves risks not only for the Government but also for the other parties within the State, it is hard to believe that any party would be so narrow in its outlook as to refuse the invitation. A party which so acted would at least seriously compromise its influence in the country when it was known that it had refused to accept such an offer.

There is one other aspect of the situation which should not be overlooked. The close of hostilities will bring Europe face to face with an unparalleled series of constitutional issues and developments. In every country at war there is a special constitutional development awaiting solution. In England there is the settlement of the Irish question, and with it large questions of wider devolution on the one hand, and on the other, of Imperial development. In France, the success of the Allies will bring with it the problem of the constitution of Alsace and Lorraine. It is recognized by French observers that forty-five years of separation has left Alsace and Lorraine in a different position than that which they formerly occupied. The fact even that in 1911 Germany gave to Alsace-Lorraine a greater measure of local autonomy has itself to be reckoned with. In Russia constitutional problems and relationships of still greater magnitude await solution, among which stand out the problems of Poland and Finland. Germany, Austria, the Balkan States, the Turkish Empire, all alike present constitutional questions of no mean order. But wider far than these questions of internal constitutional development lie grave problems of international control and organization. We are face to face with such an opportunity as has not before arisen of constructive international organization. In all these matters, more closely than is perhaps apprehended, the influence and example of England will play an important part. Those who have had the advantage of studying modern political developments in Europe cannot fail to have been struck with the great interest which has been aroused in European circles in the developments of the English constitution. The growth both of England's Imperial relations on the one hand, and, on the other, the developments in the government of the United Kingdom, have been followed with an attention which is only explained by the fact that problems not unlike these are facing many of the States of Europe to-day. It is not

too much to say that at the present and in the near future the eyes of the world in regard to constitutional development are especially fixed on England. At such a time, if England rules her house well, if it is seen how vigorous and flexible the English constitution still is, there can be no doubt as to the effect upon the influence of England in the council of the nations. Such events make their impression deepest on those minds which are most responsible for the future of national and international developments, and it is therefore not merely with a view to allaying party feeling in England or securing a longer lease of the party truce that we urge a departure in our system of Cabinet Government. To-day the strain of the crisis rests on all parts of the community, but nowhere is that strain more serious than upon the organization of the Government responsible for the conduct of the war and the safety of the State. It is surely at such a time that steps should be taken to secure that the council of the Government represents as fully as possible that co-operation of parties which is being every day more strikingly manifested within the Nation itself and throughout the Empire.

FRANCE AND ALSACE-LORRAINE

ALSACE and Lorraine have been so closely united in their destinies during the last hundred years that they have come to be regarded as a single district, and men are in danger of forgetting that their origins and racial characteristics are in many respects different. Many forces have drawn their fates together: and especially this. They form, and throughout history have formed, the frontier where the French and German nations have naturally come into collision. And the history of Alsace-Lorraine is the history of the struggle of these two nations for the Rhine frontier.

Phrases have in themselves often a great power, and few phrases have caused more bloodshed or excused more wars than the words 'natural frontiers'. Miss Putnam in her valuable sketch of the history of Alsace and Lorraine¹ tells us that it was Louis XI who first spoke of the Rhine as the 'natural boundary' of France, though the authority of Caesar is often quoted to the same effect. The phrase, however, first gained general currency during the wars of the French Revolution, when defence was passing into aggression, and the authorities of republican France were seeking for a justification for their victorious advance. It was found in the claim of 'natural frontiers', which harmonized so well with the fashionable philosophy of the time, and it was assumed that nature had marked out for France the Pyrenees and the sea, the Alps and the Rhine as her natural frontiers, and that only the injustice of man could force her to accept any others. But is it true that the Rhine is the natural frontier of France? Has geography and the actual demarcation of races indicated that it is on the banks of that river that one nation should

¹ *Alsace and Lorraine, from Caesar to Kaiser, 58 B.C. to 1871 A.D.*, by Ruth Putnam.

naturally end and another begin? The answer must be in the negative. Rivers are rarely either the natural or the actual frontiers of States. In the early movements of peoples in Europe, as in the later movements of colonists in Africa and America and the Australasian colonies, rivers have been the great highways down or up which the peoples have moved. The same race is usually to be found on both banks, and the river acts rather as a bridge than as a barrier. Neither the Rhone nor the Elbe nor the Danube; neither the Volga nor the Don nor the Dnieper; nay, not even the Mississippi or the Ganges or the Amazon have been, except for temporary and conventional reasons, the frontiers of great States. The watershed rather than the river bank forms the natural frontier of States. The claim of France to these provinces—and the claim is a strong one—is based not on geographical but on human considerations. Where a man's heart is there is the nation to which he naturally belongs, and judged by this standard it can hardly be doubted that Paris and not Berlin is the capital of the nation to which Alsace and Lorraine belong.

The long mediaeval history of these lands must not detain us. Those who desire a clear narrative may be confidently referred to Miss Putnam's book, in which her previous studies in Dutch and Netherlandish history, which resulted in the *Lives of William the Silent* and of *Charles the Bold*, have stood her in good stead. But it is interesting to observe that there has often seemed a tendency to give to these lands an intermediate character and that their incorporation with the Germanic Empire was by no means a matter of certainty from the first. The Treaty of Verdun in 843 created out of the vast and unmanageable dominions of Charlemagne three kingdoms; and between what was later to be France and Germany there stretched by this arrangement the kingdom of Lothair, including what is now Holland and Belgium, Switzerland and Northern Italy, and most of Alsace and

Lorraine as well. There is no part of that kingdom of Lothair that has not been the subject of contention between the German and the French peoples or governments; but, as we have seen, the greater part has maintained its independence in spite of affinities of race or language, and that independence has been a great gain to European culture. There have been epochs when it has seemed that Metz and Strassburg were also to be detached from their powerful neighbours. The history of Charles the Bold is especially interesting in this respect. He came near to reconstituting a great middle kingdom, and it is perhaps questionable whether the stubborn soldiers of Switzerland at Morat and Granson and Nancy rendered a service to Europe in dashing to the ground those ambitious plans. But for better or worse the frontier of the Holy Roman Empire ran westward of these debatable lands, and at the end of the fifteenth century both provinces possessed a population mainly German in sympathy and in speech.

The course of action, diplomatic and military, by means of which France came into possession of these provinces has sometimes been regarded as something particularly wicked, and Ranke spoke of the war of 1870-1 as being waged 'against Louis XIV', in whose reign the long process reached its final, or nearly its final, stage. And certainly it is not possible to justify according to ideal standards of international right all that France did; but as certainly the history of Europe would be a much more inspiring and hopeful study if this were the worst or one of the worst things that is to be found in its record.

It was the Reformation that gave Alsace and Lorraine to France, and France received them in return for services rendered to the joint cause of Protestantism and political independence in Germany. She rendered these services from no love for the Protestants or the princes of Germany. But she rendered them. And if her action had not taken place it is almost certain that there would have been no

Prussia to unite the German States under a single dominion and to win back these provinces at the point of the sword. It is this view of the matter which I desire to develop a little further.

By the beginning of the sixteenth century the unity and the strength of Germany had sunk to a very low point. The Holy Roman Empire was still there, but it was even then not much more than a name. The real force of Germany was to be found in the smaller powers that had won an all but complete independence. Men talked of the German people; they sometimes felt as Germans, especially when they were confronted by the exactions or spiritual claims of the Papacy; but they paid taxes and they fought, not as Germans, but as Saxons or Suabians, as Brandenburgers or as Brunswickers. The assumption of permanent national characteristics is constantly made, but it is difficult to define them or to prove them. The idea that there is something in the German character specially favourable to discipline, unity, and patriotism finds support only in the events of the last century and is in conflict with a thousand years of German history.

The divisions of Germany stimulated the Reformation and alone made its success possible; for had Germany been a strong and united State it can hardly be doubted that she would have stood on the Catholic side. From the first the movement of the Reformation was a complex one, and, while a great body of German opinion was drawn to what was noblest in the protest and constructive attempts of Luther, it is clear that it would not have won its way to victory if it had stood alone. Political and dynastic ambitions, the desire for Church lands, above all the desire for real independence against the nominal emperor, all played an important part in the movement. So dangerous was much of the stuff fermenting in Germany that there is no reason to wonder that war came in the end. Rather it is remarkable that Luther's eyes were closed in death before war actually broke out; for the

Peasants' Wars do not belong to the class of which we are thinking. But events in Italy and Africa, in the Netherlands and in Spain, long claimed the attention of Charles V, and it was not until 1547 that the temporary settlement of his quarrel with the French king allowed him to intervene with arms in Germany. The immediate result was a great success for the imperial arms. The battle of Mühlberg seemed to give the religious and political destinies of the country into his hands. A Germany united and Catholic under the strong rule of the emperor—that was the prospect that seemed to open before the eyes of Europe. It was a prospect most unwelcome to the Protestants and the princes of Germany. Charles V was neither a bigot nor a tyrant; but he would certainly aim at curbing the powers of the electors and princes, and at the suppression of the Lutheran propaganda. And yet if the cause of Protestantism and of political independence was to be saved it would hardly be by German arms and efforts alone, though a capable diplomatist and intriguer soon appeared among the German Protestants in the person of Maurice of Saxony. Foreign help was urgently wanted, and the Protestants sought and found that help in France.

Henry II, who reigned in France, was neither a good man nor a great ruler. He had no sympathy with Protestantism, for he persecuted it in his own dominions; and if he had been in the place of Charles V he would have been quite as hostile to the political ambitions of the princes as the emperor was. His motives were dynastic and national. He feared German unity more than he disliked German Protestantism, and he gave the help that the Germans demanded. The issue of the war was wholly unfavourable to the emperor. Without fighting a battle he fled from Germany, and all his political and religious plans collapsed. The French king meanwhile had made himself master of Metz and other places in Lorraine, and the efforts made to drive him from Metz in the next year resulted in a decisive defeat for the imperial arms.

The entry of the French into Lorraine is the first great incident in the long story of the rivalry of France and Germany for these lands. No definite treaty had been made, but the German ambassadors had given the king to understand that no obstacle would be put by the German powers in the way of their occupation by France, and when the French were established as masters in Metz, Toul, and Verdun, there was little sign of resentment on the part of Germany. For in the first place there was little national sentiment in Germany of a political kind ; and, next, the services rendered by the French to the Protestant and princely cause were important and obvious. The annexation by France was not yet recognized by any international treaty, but the authorities of the chief towns were called on to take an oath of allegiance to France, and did so without raising much difficulty. Thus France had gained a footing in Lorraine which she was never entirely to lose, and she was already casting her eyes on a further acquisition. An attempt had been made during the war to surprise Strassburg, and theories of history were being advanced which would make France the natural heir of Alsace and Lorraine and much besides. For the French kings, it was maintained, were the heirs of the Merovingian Franks, and thus had a right to Austrasia, which would include the lands of the Moselle and those between the Vosges and the Rhine, and might be made to cover perhaps all that Charlemagne had ruled over.

The history of the relations of France with Lorraine is, after this decisive point, neither so important nor so interesting as of those with Alsace, and may therefore be merely summarized. Her right to the three bishoprics—Metz, Toul, and Verdun—was recognized at the Peace of Westphalia, in 1648. The Dukes of Lorraine still held rule over the rest of the province and cherished hopes of recovering their lost cities. But their efforts were in vain, and it was the power of France which made continual progress. In 1680 Louis XIV added large districts in

Lorraine to those which he already possessed by means of the Courts of Reunion, of which I shall speak in connexion with the story of Alsace. It was not until 1735 that the whole process was completed. In that year, after the War of the Polish Succession—a war so insignificant in its military incidents, so important in its diplomatic results—the duchy of Lorraine was awarded to Stanislas Leczinsky, the father-in-law of King Louis XV, and on his death, in 1766, it was annexed to the French crown. Thus in 1871 a great part of Lorraine had been under French rule for more than three centuries, and all of it for more than a hundred years.

The French occupation of Alsace is part of the price that Germany had to pay for the Thirty Years' War. But if all the circumstances are examined it will be found that it was not merely French ambition taking advantage of German weakness. The assistance of France was eagerly solicited by the Protestants of Germany, and when we consider how great the influence of French diplomacy, French money, and French arms had been upon the issue of the war, the wonder is not that she obtained something, but that she did not obtain more. The German situation in 1618 at the outbreak of the war was closely analogous to what it had been in 1546 ; but since then the dissensions among the Protestants had deepened and the forces of Catholicism had grown much stronger, owing to the success which had attended the efforts of the Catholic reaction. The enthusiasm and the humanity of early Lutheranism had given place to narrowness and bigotry, and between it and its younger rival—the Evangelical Church which drew its inspiration from Calvin and Geneva—there was a keen antagonism, which made some Lutherans declare a little later that salvation was easier for a Papist than for a Calvinist. These religious contentions and the never-ceasing rivalries of the different States gave the emperor his chance. Imperialism and Catholicism in close alliance seemed to have a good prospect of an easy

and complete victory ; it was only the hour of victory that discovered that in some points the interests of the two allies were not identical.

The early course of the war completely justified the anticipations of victory. For the Empire found in Wallenstein a general of genius. His armies swept irresistibly through South Germany and found no check until they reached the waters of the Baltic. When a temporary peace came it was accompanied by the Edict of Restitution, whereby great territories, once belonging to Catholic ecclesiastic authorities, were to be taken from their Protestant and secular owners and once more to pass under ecclesiastic control. It is no part of our task to trace the fortunes of the Thirty Years' War : but to judge rightly of the circumstances in which Alsace came within the circuit of French influence it is necessary to realize how low the fortunes of German Protestantism had sunk and how serious was the outlook for the independence of the minor secular powers of Germany. Again, as in 1547, it was necessary to look for help outside of Germany. But the help of Denmark proved unavailing ; and when Gustavus of Sweden came to the relief of his co-religionists, though his meteoric career gave them for a short time hopes not merely of safety but of triumph, his death plunged them again into their former despair.

France was the one great Power in Europe united, efficient, and ambitious ; and, under the guidance of Cardinal Richelieu, willing to take risks in pursuit of a great object. The hand of France had been felt for some time in this terrible war. Even Gustavus had been helped by French money, and his actions sometimes guided by French suggestions, though he was too great a man and too powerful a soldier and statesman ever to be the puppet of France. After his death and the defeat of his armies under weaker leadership, it seemed again that the Empire would triumph if adequate assistance did not come from the outside ; and it could only come from France.

Louis XIII and Richelieu felt as little sympathy for Protestantism and political independence as Henry II had felt in the sixteenth century. But Richelieu was a statesman before all things, and, though he was a sincere and even a devout Catholic, it is characteristic of him that he always postponed religious to political objects, and thus gained for himself the title of the Cardinal of Atheists and other opprobrious names. In his domestic policy, though he had crushed the political privileges of the Huguenots, he had respected their religious liberties, and may fairly be regarded as a believer in the possibility of religious toleration. Still he approached the German problem simply as a statesman anxious to promote the safety and the strength of France. He took the Protestant army of Germany into French pay, and though he did not live to see the end of the struggle—the most terrible and destructive that Europe has known, unless the present war, which breaks so many records, is to break that too—still it was his policy which was continued by Mazarin, and it was the ideas of Richelieu and the power of France which conducted the war to the settlement of the Peace of Westphalia.

France gained by the peace the leading place in Europe and was free for a long time to come from any danger on the side of Germany. The efforts of the emperors to make of the Holy Roman Empire a united and efficient State had wholly failed. Germany was a chaos of some 350 powers of various sizes whose connexion with the Empire was slight and illusory. She was a *confusio divinitus ordinata*—a confusion ordained by some deity friendly to France—and the western frontier of Germany was later spoken of as the masterpiece of French diplomacy.

But the territorial gains of France were small considering all that she had done for those political and religious ideas which were so dear to the dominant part of Germany. The three bishoprics of Lorraine were recognized as belonging definitely to France; and further

certain districts of Alsace passed under her sovereignty. She became the preponderating power in Alsace, and her authority there was never shaken until the great war of 1870.

The French designs on Alsace had given rise to long debates among the diplomatists at Münster, and these partly arose out of the real obscurity of the situation there. France had always spoken of her action in the war as being for the defence of the Empire against the house of Austria, and it was at first only the rights of the Austrian house that she claimed; but when these did not turn out to be so extensive as had at first been imagined she extended her claims. The clauses in the treaty by which the cession was made were obscure and perhaps intentionally so; and, as we shall see, they were the cause, or at least the excuse, of further aggressions on the part of France a few years later. The districts to be ceded were enumerated—Breisach, the Landgraviate of Upper and of Lower Alsace, the Sundgau on both sides of the Rhine. All rights which the Austrian house possessed over these lands are quite clearly ceded to France; they are 'to look to the crown of France and to be incorporated with it'. But there is great obscurity in the clauses which deal with the exceptions which are to be made in this cession. Strassburg and the ten imperial cities are to be left in their old condition of independence (*in ea libertate et possessione immedietatis erga imperium Romanum qua hactenus gavisae sunt*). But at the end of this clause there come the strange and ill-omened words—that this provision must not be understood to detract in any way from the supreme rights which have been ceded to France. (*Ita tamen ut nihil detractum intelligatur de eo supremi dominii jure quod supra concessum est.*) French diplomacy, backed by French armies, was soon to make of these vague words one of the most important parts of the whole treaty. The wishes of the people had neither been consulted nor considered, but there does not appear to

have been any protest. The war had reduced the once majestic fabric of the Holy Roman Empire to a pile of loose stones with the imperial ensign insecurely fixed on its summit. Such an institution was incapable of inspiring enthusiasm or regrets.

The next stage in the development of the story belongs to Louis XIV, to his minister Louvois, and to the Courts of Reunion. We shall better understand the procedure if we look at the position of France and her great king at the conclusion of the Peace of Nimeguen in the year 1679. He had just fought a long war against a European coalition and had emerged, if not with the full measure of triumph which at one time seemed likely, at any rate with military prestige undiminished and with a power in Europe to which there was no rival and hardly a second. And, if France led the European world in diplomacy and war, her superiority in all that concerned art and thought was equally uncontested. The courts of Europe all took from France her ceremonies and her etiquette ; the nobility of all lands borrowed her fashions ; and Molière and Racine, Bossuet and Pascal, Descartes and Boileau exercised over the minds of men an influence which their genius fully warranted. An analogy could easily be traced between the France of the seventeenth century and the Prussianized Germany whose hand lies so heavily on Europe at this moment. There was the same record of long-continued diplomatic and military success, the same claim to represent the highest ideal of civilization and to possess the right of enforcing it on others, the same readiness to challenge the opinion of united Europe, and in her rulers the same drunkenness of victory. Louvois and Colbert would both have fitted admirably into the Prussian State, and there are traits in Louis which at times remind us of William II. But the ideas and the ideals of Paris awoke in Europe a genuine admiration and sympathy which have not been accorded to those of Berlin. In so

far as France relied merely on intrigue and force the age of Louis XIV was a failure ; it is the power and attractiveness of her spiritual achievements which have made the age not only glorious to contemporaries but truly great.

Every State in Europe desired to enjoy the peace which had just been won, but the King of France and his ministers determined to make use of this pacific tendency in order to gain acquisitions greater or at least more important than those which had been won by a long and successful war. The idea was not a new one. Richelieu had suggested enlarging the territories which France possessed in Lorraine, by an examination and interpretation of the terms on which the three bishoprics had been ceded to her. It was Colbert—brother of the famous financier and at one time ambassador in England—who suggested the actual procedure to Louis. The king readily adopted a proposal which offered considerable gains and harmonized well with the arrogant tone which he had come to adopt with regard to the other Powers of Europe.

We have seen that that part of the peace of Westphalia which set out the gains of France in Lorraine and Alsace was really vague. No one could have found fault with Louis XIV for determining to clear up the obscurities involved if he had adopted a fair course of procedure. But the idea of arbitration was not then a familiar one to Europe, and, if it had been, it would not have appealed to the masterful temper of the French king. He had written with regard to an earlier difficulty that it was beneath the dignity of a king of France to accept the judgement of any Power but his own. It was decided to establish courts—the so-called Courts of Reunion—to consider the terms of the treaty and the claims of France that could be derived from them. A special court was established at Metz to inquire into the problems that concerned Lorraine ; the questions connected with Alsace were brought before a council at Breisach. It is not necessary to dwell on the inequitable nature of the proceedings. France was in

effect both judge and plaintiff. Rousset's fine *Life of Louvois* reveals to us much of what was going on behind the scenes. Louvois informed the courts that if they did not find the evidence strong enough to support the claims of France more would be supplied. No forgery may have been resorted to, but we shall agree with the biographer of Louvois that he would not have refrained from forgery if he had thought it necessary. The courts proved themselves almost too eager partisans of France. Louvois had to warn them not to go too fast; it would be enough, he told them, if they gave a verdict every week or so and only included five or six villages at a time. The court at Breisach was as ready to draw Alsace into the French net as that at Metz was to deal with Lorraine. In March 1680 it declared that the king's absolute sovereignty extended over Lower as well as Upper Alsace. It was from the first plain to most men that this decision was intended to cover not only the other imperial towns of Alsace but Strassburg as well.

The strategical importance of Strassburg was so great, owing to its command of the bridge over the Rhine at Kehl, and its connexion with Germany and the Empire had been for a long time so close, that its annexation raised more attention and provoked more protest than that of all the rest of the province. During the recent war it had played an important part, and though its action had wavered, as was natural in a city situated between two such powerful combatants, its sympathies had been without much doubt on the side of the enemies of France. Montecuculi had passed and repassed the bridge almost as he liked, and Turenne had regarded the city as one of the enemy's chief supports.

Louis XIV justified his action in seizing on the town, partly by the help which it had given to his enemies, and partly by alleging that it was on the point of throwing itself again into the hands of the emperor as soon as he should have completed his levies and feel himself in a

condition to reopen the war. But above all he alleged his treaty rights. Strassburg 'owed him obedience' he said, and should have been compelled long ago to render it to him. And, again, he declared in a document quoted by Legrelle (*Louis XIV et Strassburg*, p. 520), that by the Treaty of Westphalia he had acquired absolute sovereignty over Alsace, and that it was therefore impossible to doubt that Strassburg, being the capital city, owed him the same obedience as the rest of the province.

The words and action of the French king seem at first sight in direct conflict with the terms of the Peace of Westphalia, and probably no neutral court would have found a verdict in his favour. And yet a better case can be made out for him than is sometimes recognized. What was that liberty and 'immediacy with regard to the Roman Empire' which had been promised? Did it mean more than that Strassburg should be subjected to no other German power and should be left in possession of its municipal self-government? Such an interpretation seemed to be supported by that other clause which spoke of the supreme dominion of France over these lands as remaining intact.

France was in a position to enforce her own interpretation of the words. The support of many of the citizens had been bought beforehand, and when the army of France deployed before the city it was impossible to resist. The king soon arrived to make his solemn entry; the Catholic archbishop was restored to the cathedral and the king was present there at the singing of a solemn *Te Deum*.

The significance of the acquisition was further shown by the striking of a medal bearing the legend *Clausa Germanis Gallia*. Germany looked on irritated and indignant, but had neither the means nor the passion necessary to make a protest really effective. The one strong power in Germany was Brandenburg, which under the rule of the Great Elector had embarked on that course of policy which led to the triumphs of Frederick the Great and Bismarck, and

by a logical development has brought her to the ambitions and the perils of the present war. Louis XIV had some anxiety as to how his new move would be received in Berlin. But the Great Elector was already in alliance with France and had promised to support him if he was attacked 'without inquiring as to the justice of the quarrel'. There were rumours of opposition at Berlin, but it came to nothing. The Great Elector stipulated for a free hand in his dealings with Sweden, and showed his friendliness for the French king by presenting his ambassador with a sword set in diamonds. There was no danger from that quarter.

Nor was more opposition to be expected from the official representatives of Germany. The Diet at Ratisbon was stirred by the news from Strassburg and especially alarmed by a report that it was preliminary to an attack on Germany. These fears were allayed, and the strength of France was so great that no one was inclined to undertake an unnecessary war. In the end the Truce of Ratisbon recognized the acquisitions of the King of France, and postponed further discussion of the subject for thirty years.

French influence was left to work in Alsace and Lorraine for about two centuries without serious challenge. If France had won the provinces by the sword, she laid during these years a more sure foundation for her power in the sympathies and even the affections of the people. How thoroughly Alsace had become French in feeling and in language is shown by Goethe's autobiography; he tells us how his fluent and correct French was laughed at by the men of Strassburg as unidiomatic. The provinces were of course swept into the stream of the French Revolution. Among the causes that went to produce the war of 1792 many had their seat in Alsace and Lorraine. Especially the abolition of feudalism robbed many German owners of property situated within the boundaries of France, and the ecclesiastical legislation of the Assembly swept away ecclesiastical rights and dues without

considering whether they belonged to sees situate within the German borders. And when the war came it soon passed—as Franco-German wars usually have done—over these unfortunate lands. But the French Revolution brought more than war to Alsace and Lorraine. The social changes that were introduced by the Legislature and Convention worked in the provinces with welcome results. The remains of serfdom disappeared; feudalism was abolished, and in the early part of the Revolution no district of France was more enthusiastic for the new ideas than these lands where France had long been a stepmother rather than a true motherland. Mr. Eccles in his recent pamphlet on Alsace-Lorraine has reminded us that the ‘Marseillaise’ was first sung in the house of the Mayor of Strassburg. When Napoleon’s meteoric course was over and Waterloo had been fought and won, there were some at the Congress of Vienna who desired to see the provinces taken away from France. But other counsels prevailed, and the influence of England was thrown on their side. It was for the legitimate kings of France that the Allies had nominally been fighting, and it seemed morally indefensible to hand back to them, after their great victory had been won, territories smaller than those which they had possessed at the beginning of the revolutionary wars. So the acquisitions of Henry II and Louis XIV were handed back to Louis XVIII. Blucher and other Prussians protested in vain.

After the Battle of Waterloo the movement towards political unity in Germany flowed forward with a broader and a stronger flood. The commercial unity that was won by the Zollverein paved the way for the work of Bismarck. And as Germany grew more conscious of her existence as a whole she turned with new interest to the records of her past. The glories of her mediaeval empire seemed a prophecy as well as a memory; and she read in the disasters and humiliations of the sixteenth and

seventeenth centuries clear proof of the evils of disunion. The present Kaiser bore testimony a short time ago to the influence which had been exercised on the mind of Germany and the foundation which had been laid for the new empire by the teaching of history in the schools of Germany; and the incident has as much warning as encouragement for teachers of history. It is certain that when 1870 came, dreams of a larger Germany were widespread among the educated classes of Germany, and a somewhat garbled version of the way in which France had acquired Alsace and Lorraine inspired in the minds of many, dreams of revenge.

Bismarck's thoughts had doubtless often turned to Alsace-Lorraine before the chance of 1870 came. He has told us a strange story of a last effort to avert or rather to divert the war of 1866, which is so astonishing a revelation of Machiavellian policy that it deserves perhaps rather more attention than it has received. When war was on the point of breaking out he has told us that he dispatched a messenger to the Emperor of Austria to call his attention to the vast forces engaged on both sides. 'It would be better therefore for us both to come to an agreement, and, making a change of front towards the west, unite our forces in attacking France, recapture Alsace, and turn Strassburg into a federal fortress. The French were weak as compared to us. There might be no just cause for the war, but we could plead with the other Powers that France had also acted unjustly in taking Alsace and Strassburg, whence she had continuously menaced Germany ever since.'

As soon as the German armies began their victorious march over the frontiers of France, Bismarck suggested through various channels the necessity of annexing the lost provinces. It is interesting to notice the grounds on which this step was justified. The historical claim of Germany to provinces, which still spoke the German language and had once belonged to the mediaeval Empire

of Germany, were emphasized by some, but Bismarck waved these on one side. They were, he said, 'professorial ideas', and practical statesmanship must be governed by other considerations. He did not wish to attach too closely the new empire to the memories of the old, and certainly did not wish to regard the one merely as a continuation of the other. He knew that the population was content with its position, and spoke to Busch of 'the inconceivable attachment of the Alsatians to France, their voluntary helotry and their blindness, which will not permit them to see that the Gauls only regard them as a sort of second-rate Frenchmen'. The historical claim indeed can hardly be regarded as possessing any validity against an unwilling people. Claims almost as strong could have been put forward for including much of Switzerland and even Holland and Belgium within the boundaries of Germany; and by a similar right England might proceed to the reconquest of her old empire in France, or Spain take up again her claims to Italy. It was on the ground of political expediency that Bismarck argued the case. It was to secure peace and disarmament for Germany and for Europe that France was to be deprived of these provinces. 'The danger,' he wrote, 'lies in the inconceivable arrogance and lust of power which is part of the French character. Our protection must be a well-defended frontier.' And again, 'An enemy who cannot be turned into a friend by considerate treatment must be rendered permanently and thoroughly harmless. Whoever desires disarmament must wish to see France's neighbours adopt this course, as France is the sole disturber of European peace and will remain so as long as she can.' Strange words which deserve to be thought over! Bismarck has sometimes been reckoned the most penetrating political mind of the nineteenth century, but could any judgement be more erroneous than this? The monstrous growth of armaments in Europe dates from and was caused by this claim to dismember France of contented provinces. The Treaty

of Frankfort, in which the cession was confirmed, is the true fountain of bitterness whose waters have overspread all Europe. It is to be hoped that, when the Allies have the opportunity of squaring their account with Germany, they may remember the important lesson which is implied in Bismarck's colossal failure; may not try to drive out Beelzebub by Beelzebub, nor think to lay the evil spirit of Prussian militarism by imitating its methods.

France answered the claim of Germany by a bold defiance: 'not a stone of our fortresses nor a yard of our territories'. But for Bismarck's determination to win the provinces the war might have been over at the end of September. Four more months of fierce fighting and of huge expenditure were necessary before the heroic resistance of the French capital was broken and France had to bow to the will of the stronger. At the last there was some chance that the terms might be modified in favour of France. Bismarck had demanded Metz at first, but he came subsequently to think that it might be left in the hands of France and another site a little further back found for a great fortress that should cover the German frontier. 'I do not want so many Frenchmen in our house,' he said. But the soldiers stood firm, and the Emperor William I made good the loss of the Emperor Charles V.

This essay will pursue the story of the provinces no further. Germany had come to redeem the provinces from an alien yoke and restore them to the family to which their history, their language, and in most cases their blood connected them. Nor was it probably beyond the scope of a wise statesmanship to efface the memories of their French connexion and turn their hearts to Germany. Much is obscure in the history of these lands since 1871, but it is clear that Germany has failed in this object, if indeed she has ever set it clearly before her eyes. In 1871 it was impossible for Bismarck to adopt the method which was followed at every step in the unification of

Italy ; the known and admitted hostility of the people made it impossible to ask them to register their wishes by a *plébiscite*. Twenty centuries ago Herodotus, looking over a limited field of observation, declared enthusiastically ‘you may see, not by one example but in all, how excellent a thing is equality and freedom of speech’. The history of Germany during the past fifty years may seem at first sight to enforce another lesson. Yet, even without the comment of the present war, there was never any reason to doubt that liberty and affection form a better cement for a State than blood and iron, and it may well have been some sense of this that made Bismarck say at a later date to his faithful Busch: ‘On the whole, I am convinced that what we have built up since 1866 has no stability.’

A. J. GRANT.

FINLAND

I

RUSSIA is confronted by an imperial problem not unlike our own. She has to combine in her Empire a great variety of races and nations at widely different stages of development, the East with the West, the twentieth century with primitive tribal organizations. Her task is the more difficult in that there are on the great plain practically no outstanding natural frontiers such as are afforded to the different parts of the British Empire by the sea. This naturally encourages a tendency to levelling. And there is another important difficulty, from which again the British Empire is free. In Russia the sovereign race has a political and social structure more primitive than that of some of the smaller races it has to govern.

In the case of Finland all these difficulties exist. There is no great natural barrier between Russia and Finland, which is geographically simply the western end of the Eurasian plain. On the other hand, Finland through that very western position came early into contact with European nations and acquired a civilization more complex than that of the Empire of which for geographical reasons it was ultimately destined to form part. Finally, to differences of civilization are superadded profound differences of race.

Russia has attempted to solve the problem of her relations to Finland, or the democratic West in her Empire, in two ways. At first she left the West to take care of itself and manage its own affairs with as little interference as possible from the central government. The second stage shows us Russia feeling that the centrifugal tendency has gone too far and that Finland should be more closely connected with the Empire. It has sought to achieve this

end by forcibly assimilating Finland to the status of a Russian province. To-day it seems probable that we are on the eve of a third method of approaching the problem, but no one quite knows what this method will be.

It was only in 1809 that Finland became part of the Russian Empire. The conquest of the great plain which radiated from Moscow proceeded slowly, and it was not until the old capital was abandoned for Petersburg that Russia crept up to the marshes of Finland and neared the sea. Previously to this Finland had formed part of the kingdom of Sweden. She was a natural field for Swedish colonization, and it is probable that Swedes settled there long before the official conquest of the country, which is usually dated from King Erik's First Crusade in 1157. King Erik introduced Christianity, aided by Bishop Henry, an Englishman, who was subsequently murdered and became Finland's patron saint. The Swedes gradually pushed further eastward, establishing their power by means of fortresses, which form some of the most picturesque sights in Finland to-day. About the middle of the fourteenth century Swedish political institutions were established, together with Swedish common law, and Finland's future was definitely bound up with that of Sweden.

The Swedes, however, formed only a small proportion of the population, the great majority being Finns.¹ They are of the same Ural-Altaic stock as the Hungarians, but circumstances pushed them into a poorer and bleaker country. Here they seem to have lived in a primitive manner until the coming of the Swedish colonists. As Swedish civilization spread, the Finns became more or less Scandinavian in their habits and ideas, and to a certain extent in their language. Swedish was the language of education, of the law, of society, and Finnish remained until the nineteenth century a language of peasants. While this state of things implied some hardship to the bulk of

¹ Of the inhabitants to-day 86·7 speak Finnish, 12·9 Swedish, the remaining fraction being Russians, Germans, and Lapps.

the population, it yet conferred on the country free political institutions and gave it a possibility of future development which it might not otherwise have had. The conquest of Finland by Sweden enlarged the boundaries of Western Europe.

In the eighteenth century Finland became the cockpit of Northern Europe, the battlefield of Sweden and Russia in their long wrestle for supremacy. The country suffered profoundly. District after district was torn as from its living flesh. Finally, during the war of 1808-9 Finland came to terms with the Tsar. She has been blamed for forsaking Sweden, but it is difficult to see what other course was open to her. Sweden was soon forced to leave her to defend herself, and Sveaborg, her principal fortress, was treacherously surrendered by a Swedish general. Resistance was hopeless. It was a question of getting good terms now or bad terms a few months hence. Moreover, the Swedes themselves, by expelling their own king a few weeks before Alexander I and Finland came to terms, made the transference of allegiance a relatively easy matter.

While the war was still in progress, Alexander invited a deputation representing the Finnish Estates to meet him at Petersburg to discuss the future of Finland, and, as a result of the conference, presently summoned the Estates themselves to meet him at Borgå, where his Act of Assurance was read out to them in the Cathedral, on March 15/27, 1809, after which they took the oath of allegiance to him. The Act of Assurance runs as follows :

We, Alexander the First, by the Grace of God Emperor and Autocrat of all the Russias, &c., do make known :

That, Providence having placed Us in possession of the Grand Duchy of Finland, We have desired hereby to confirm and ratify the religion and fundamental laws of the Land, as well as the privileges and rights which each class in the said Grand Duchy in particular, and all the inhabitants in general, be their position high or low, have hitherto enjoyed according to the constitution. We promise to maintain all these benefits and laws firm and

unshakeable in their full force. In confirmation whereof We have signed this Act of Assurance with Our own hand.

Given in Borgå, March 15/27, 1809.

ALEXANDER.

The constitution which Alexander undertook to uphold is founded on the old Swedish laws in Finland, and more especially on the Form of Government of 1772, and the Act of Union and Security of 1789. Its essence is that the monarch may not make a new law or abolish an old one without the consent of the Four Estates, just as the Estates may not do so without the monarch's consent. Nor can the constitution be altered without the consent of the Estates. Thus Finland was to retain her Scandinavian institutions within the Russian Empire, the control of naval and military affairs and of foreign policy being transferred from Sweden to Russia. In other words, Alexander I was to step into the shoes of the Swedish king, and become in Finland a constitutional monarch. 'Henceforth,' said Alexander, 'the Finnish people is placed in the ranks of the European nations,' and he won all hearts by the charm of his personality and his generosity of spirit.

The country which thus changed hands is a land of rock and forest and water, where for long human life established and maintained itself with difficulty. The traveller by rail or by road becomes depressed by the monotony of its endless pine-forests, but is charmed by the loveliness of detail that flashes upon him from time to time, more especially when the sternness of the pine makes way for the light and colour of the birch. The beauty of the country lies chiefly in its lakes, which cover about one-tenth of the total surface and issue in rivers with magnificent rapids. There is a touch of Canada about Finland, especially in the north. The winters are very long and cold, the ports all being ice-bound, though two are now kept open by means of ice-breakers. The summers are warm, short, and brilliantly light.

The ninety years that followed Finland's incorporation in the Russian Empire were a period of rapid progress. The population increased and the resources of the country were steadily developed. The vast majority of the people derives and will probably continue to derive its livelihood from agriculture, but recent decades have seen a considerable development of industry. Owing to forests and water-power, the conditions have been particularly favourable to the expansion of a great timber industry and to the manufacture of paper. The supply of water-power is practically unlimited, and as capital is attracted to Finland will be more and more utilized.

Parallel with the economic development has been a great national movement. The separation from Sweden and the words of the Tsar quoted above had a powerful influence in making Finland conscious of an independent national existence. 'We are not Swedes, we do not want to be Russians, let us become Finns,' said Arvidsson, one of the leaders of the new movement. The fulfilment of this aim implied that the Finnish-speaking inhabitants, who formed seven-eighths of the population, should acquire the full privileges of citizenship by having their language placed on an equality with Swedish. The initiative to this reform did not come from the Finnish-speaking peasants, but from the more far-seeing of the Swedes, whose monopoly of education made them the only possible source of such a movement.¹ In its early stages the movement was idealistic and produced the finest expressions of the national genius. Elias Lönnrot, a doctor, undertook a series of wonderful journeys in Finland and Russia, in order to take down from the lips of aged singers, both men and women, the ancient songs of Finland, that had been handed down from father to son for generations, but were now

¹ It should be borne in mind, however, that the Swedish and Finnish stocks intermarried considerably, and that the Swedish-speaking population was recruited in part from Finnish peasants who were educated in the schools and passed into the ranks of the Swedish-speaking upper class.

being forgotten. These songs he combined into the great epic poem we know as the *Kalevala*. The racial mind of the primitive Finns was revealed to their modern descendants, and the discovery sent a thrill throughout the country. They realized more than ever how deep were their roots in the past. Runeberg meanwhile was writing in Swedish the modern epic of Finland, in the series of poems on the great war of 1808-9. The writer knows of no war poetry so simply grand, so moving, so direct, so unfaltering, so humorous. The noblest side of the national character is in these imperishably expressed. Topelius and others carried on the same tradition.

But while Lönnrot, Runeberg, and Topelius stood for equal rights for Finnish and Swedish, and thought of the country as a whole, other prominent men became imbued with the party spirit, which is the curse of small nations, and the great reform of 1863, by which the Finnish language was placed on an equality with Swedish, did not come about without a bitter conflict, which has not altogether subsided even to-day. At the present time the danger seems to lie rather in the possibility of the Swedish-speaking minority being grudged its rights by the Finnish-speaking majority. But the two parties have been drawn together by the common menace of the Russian bureaucracy.

In recent decades a considerable literature has developed in the Finnish language. Alexis Kivi published in 1870 a novel called *The Seven Brothers*, which is an epic of the Finnish peasants' struggle with nature in these inhospitable territories. This work is like nothing else in literature. It is utterly realistic, and, because of this, wildly imaginative. It has the very odour of the wastes, of the forests, of the settler's hut, of the struggle for life in a ceaseless wrestle with nature and circumstance, with wild beasts and darkness and cold. It is also symbolic. The Seven Brothers embody in themselves the intransigency of nature and have to subdue in their own hearts the nature they conquer with such sweat of their hands. The raw material of Finnish

human nature, the stuff with which the statesman, the Lutheran parson, the administrator, has to deal, is shown here with consummate mastery and imaginative insight.

Since Kivi, the greatest figure in Finnish literature has been Juhani Aho, who left behind him in Paris the long-windedness which too often characterizes Finnish writing and speaking, and mastered expression as a fine art. In him, also, one may study the dour and brooding Finnish peasant nature, with its vein of lyricism, its passion for solitude, its patriotism, its bursts of gaiety, its spurts of humour, its sullen endurance, its kindness at bottom, its suspicion on the surface, its paganism, its Christianity, its obstinacy, its loyalty, its spirit of the pioneer. Aho ranges beyond the peasant and has represented all kinds of life, but he is nowhere more intimate than when dealing with the peasants of this peasant people, nowhere more touching than when he records in a few pages the struggles and tragedies of their difficult lives.

Finland has also been a field of experiment in the sphere of politics and social reform. When in 1905, shortly after the Duma manifesto in Russia, the Finnish constitution was restored—it had been practically in abeyance since 1899—certain important political changes were made. A single Chamber of 200 members was substituted for the old Swedish Four Estates, which had sat separately. A system of proportional representation was adopted on the basis of universal suffrage, all men and women being entitled to vote on reaching the age of 24. Moreover, women were allowed to sit in the Diet, the number elected varying from 25 to 14. Finland was thus the first European country to make the experiment of Woman's Suffrage. The co-operative movement, again, has many triumphs to register in Finland, the Finnish-speaking peasantry in particular having shown a great aptitude for its principles. Finally, Finland prides herself, and not without reason, on the excellence of her schools. The Finns are one of the best educated nations in the world.

II

When Alexander I conquered Finland he was pursuing a policy which had been initiated by Peter the Great. The huge Plain sought an outlet for its products on the sea. Petersburg was the first step. The control of the Gulf of Finland followed logically as the next, and this in time implied the control of Finland itself. Influenced both by his own liberalism and by the inconveniently stubborn resistance of the Finns, Alexander I, after some wavering, decided to adopt the policy we have already sketched. It practically converted Finland into a buffer State between Russia and Sweden, and at the same time ensured him complete control of the foreign policy and the military and naval dispositions of the country. It also ensured him a contented, even a devoted Finland, which would not, by revolting in favour of Sweden, be a thorn in Russia's flesh, during the wars that were overhanging Europe.

The inclusion within the Russian Empire of this country, in its instincts and institutions Western of the Westerns, might well have led to difficulties. Nevertheless, for ninety years Finland remained practically a buffer State, in the almost complete enjoyment of her constitutional rights. This happy position was due to the Tsars. To them Finland owed an inestimable debt, and she paid it in the shape of warm affection and gratitude. The Tsars have, time after time, preserved Finland from the encroachments of the bureaucracy, and on the whole one may say that Finland has tended to prosper when the Tsars have controlled the bureaucratic machine and to suffer when the bureaucratic machine has controlled the Tsars. To the bureaucratic mind, with its instinct to discourage individuality and to dislike exceptions, the position of Finland has always been an eyesore. The Tsars, however, have often enjoyed their position of constitutional monarch of Finland. In fact, Alexander I and Alexander II went out of their way to emphasize Finland's constitutional rights.

The former in writing to Count Steinheil, who was appointed Governor-General in 1810, said: 'My object in organizing the situation in Finland has been to give to the people a political existence, so that they shall not regard themselves as subject to Russia, but as attached to her by their own evident interests, and for this reason not only their civil laws, but also their political laws, have been retained.' He also returned to Finland portions of her territory which had been wrested from her in the wars of the preceding century, and which had in the interim been governed as part of Russia. He was still animated by his youthful liberalism, and looked upon Finland, as he looked upon Poland, as a base from which liberal institutions might extend to Russia proper.

It is curious that Alexander I never summoned a second Diet. The reason is probably to be sought in his pre-occupations, his failing health, and the sense of futility that grew upon him, for he retained his affection for Finland to the end. That his successor should have failed to convoke the Diet is less a matter for surprise. There was, however, no breach of the constitution involved in this omission, provided that no new legislation or taxation was introduced, and this condition was broadly fulfilled. Indeed, Nicholas I, in spite of his distrust of constitutions, observed that of Finland as scrupulously as his predecessor had done. With the advent of Alexander II there was a return to the liberal conceptions of his namesake. He convoked the Estates in 1863, and in his address to them used language which shows that he, too, contemplated an extension of constitutional government to Russia. 'It is for you, the representatives of the Grand Duchy, to prove by the dignity, moderation, and the calmness of your discussions, that in the hands of a wise and well-conducted people . . . liberal institutions, far from being a danger, become a guarantee of order and prosperity.' He referred, moreover, to 'the principles of constitutional monarchy involved in the character of the Finnish race, of which

every law and institution bears the impress'. Henceforth the Estates were summoned regularly. Alexander had previously shown his partiality for Finland by allowing her to adopt a separate money-system, a step he is said afterwards to have regretted.

As late in his reign as 1878 he took the side of Finland in the military dispute between the Finnish Estates and the Russian Ministry of War. General Milintin, who was reorganizing the Russian Army, wished to extend the new system to Finland, and the Emperor was severely criticized for supporting the Finnish claims to a national army. While the War Minister was undoubtedly wrong on constitutional grounds, there was certainly something to be said for his contention that the Finns, by the arrangement actually adopted, were released from bearing an equal burden with the Russians.

The effects of this attitude of the liberal Emperors were to emphasize the personal element in Finland's connexion with Russia. The Tsars were immensely popular, but the Russian people counted for nothing with the Finns. Thus the natural gulf between the Finnish and Russian peoples was not bridged, and the Finns were inclined to regard themselves as a separate people. The accusation of political separatism is without foundation,¹ but the Finns shrank from learning Russian, and emphasized their connexion with the West and the alleged superiority of their own over the Russian culture. Their attitude was fraught with danger for the future, when the Russian people should understand it and resent it.

After having basked in the sun of the imperial favour for three generations, Finland was suddenly exposed to the bitter east wind of persecution.

In the 'nineties, the bureaucratic machine, which ever since the assassination of Alexander II had increasingly

¹ Still more unjust is the accusation of Finnish disloyalty. If it has ever seriously existed, it has been the creation of the Russian bureaucratic methods.

controlled the destinies of Russia, decided upon reversing the former policy towards Finland. Finland was no longer to be a buffer State, a constitutional monarchy; she was to be ruled like a province of Russia, on autocratic principles. The bureaucratic solution of the problem of East and West was to be the obliteration of the West.

The motives for the russianizing policy were mixed. At the beginning of the reign of Nicholas II, the wish was expressed that constitutional government might be introduced into Russia. This caused upholders of the old order to regard Finland with disfavour, as being an excellent example of the advantages of constitutional democracy—a working model of the kind of thing the reformers were aiming at. The Slavophiles, again, had long marked down Finland for destruction, as being non-Russian and non-Orthodox. The military authorities came to recognize more and more the strategic importance of Finland, and, not content with the absolutely free hand they had there, desired to make Finland exactly like an ordinary Russian province,¹ oblivious of the fact that a contented and loyal Finland was a greater safeguard to the Russian capital than a discontented and persecuted country could possibly be. They felt, moreover, that Finland was bearing something less than her fair share of the burden of imperial defence. The bureaucrats were glad to distract attention from misgovernment at home by playing on chauvinistic prejudices against a non-Russian nationality. Economic interests also played a part. Finally, there was a general feeling of envy at Finland's prosperity and privileged position.

But behind all these motives it is possible that there was a greater one, which was all the more powerful for being only half-conscious—namely, the aforesaid desire of the Plain to find an outlet on the sea. The eyes of many

¹ There is no clause in the Finnish constitution to prohibit the entire Russian army being stationed in Finland should the Russian authorities desire it.

Russian statesmen have looked beyond the Baltic, with its bottle-mouth, to the liberty of the Atlantic, with its ice-free ports. It has been their dream that Russia should acquire a harbour on the north of Norway—and the extreme west of her frontier has for a hundred years been within twenty miles of the great Lyngenfjord. Could these twenty miles be won, Russia could fling a railway from Atlantic to Pacific, an achievement not unworthy of her greatness. With this accomplished she would be independent of the Baltic opening. It has seemed to some that the russianization of Finland has been a by-product of this tremendous impulse seawards which, if persisted in, would add to the Tsar's dominions the northernmost portion of Scandinavia.¹ It is at least certain that, since the russianization of Finland, Sweden has entirely remodelled her defences to meet the Russian menace and that the pro-Germanism of Sweden in the present war is largely due to the belief that Russia is knocking at her doors.

The storm burst upon Finland with dramatic suddenness. Russia made no attempt to get what she wanted by appealing to Finnish loyalty and the employment of legal methods. General Bobrikoff, a rough and tactless man, was sent in the autumn of 1898 to bring Finland into line with the rest of the Empire, and more particularly to assimilate the army to that of Russia. The country had hardly recovered from its amazement at his hectoring ways when the famous manifesto of February 15, 1899, was issued which did away with the constitution at a single blow. Matters of 'imperial interest' were to be withdrawn from the competence of the Diet, and what these matters were it was left for Russia to decide. The nation was stunned,

¹ It should be pointed out, however, that if Russia secures an outlet to the Mediterranean, the movement towards the Atlantic may well lose in force. For Russia's natural longing has always been for the south and the east, and if she can acquire an outlet southwards, this will probably absorb her energies and relieve the pressure on Scandinavia. If the passage of the Baltic could be guaranteed to all nations, Russia's desire for a Norwegian harbour would be still further weakened.

and the first feeling was utter incredulity. When presently the truth was realized the women went into mourning. Not content with protesting through the ordinary channels, the people, just as Russian peasants might have done, instinctively turned to the Emperor himself. A great national address was prepared, the collection of signatures for which, in winter conditions, forms one of the most romantic chapters in Finnish history. In the spirit of Pheidippides the best ski-runners would be sent on dangerous and remote tracks, so that even the most outlying hamlets or farms might know the country's peril and register their petition on its behalf. The deputation bearing this monster address was not received, however, and the address remains to this day in the State Archives at Helsingfors.

This is not the place in which to enlarge on the sad years that followed ; it is enough to say that Bobrikoff's attack on the administration took the form of dismissing Finnish officials who would not obey his orders implicitly, even if these conflicted with the officials' oath to observe the constitution. Such officials were replaced either by Russians or by natives of Finland whose scruples could be overcome. Naturally, the personnel of the administration was lowered in quality. Other evils of the bureaucratic system followed. More and more the country came to be ruled by the secret police. Spies abounded, the Press was persecuted, house-searchings became common, and many of the most capable and public-spirited citizens were banished. It was during this period that the Finnish army was abolished, to the great grief of the nation. Finland's reply was passive resistance, and a campaign to make Europe aware of her sufferings.

The Bobrikoffian reign of terror—for the term is hardly too strong—came to an end partly owing to the assassination of Bobrikoff by a young man who thought the spirit of the country was being broken by the tyranny, and partly because Russia soon afterwards had her hands full

with the Japanese War and the Revolution. It was not, however, till the general strike in Russia that Finland, seizing her opportunity, proclaimed a general strike on her own account, and the manifesto promising the Duma was quickly succeeded by a restoration of constitutional government in Finland. Then, too, followed the constitutional changes already referred to—the introduction of a Single Chamber Diet, proportional representation, and Woman's Suffrage. To the thoughtless it seemed that Finland's troubles were at an end.

Unfortunately, however, the Duma by its extravagance played into the hands of the reactionaries, who, when they had thoroughly crushed out the Revolution, turned their attention once more to Finland, and, in spite of Stolypin's assertion with reference to Finland that 'in Russia might cannot go before right', proceeded to russianize the country afresh. The method was less drastic than under Bobrikoff, but more insidious. It had, moreover, less the appearance of a violation of constitutional rights, inasmuch as the bureaucracy used the third Duma as the instrument for carrying out its policy. This was a clever stroke. It enabled the reactionaries to represent the russianization of Finland as the considered verdict of the Russian people.

Stolypin's plan was to withdraw from the competence of the Finnish Diet all matters of imperial interest and to compensate Finland by giving her four seats in the Duma and two in the Council of the Empire. It was thus an extension of the principles embodied in the February Manifesto. Finland has been blamed for not accepting this solution and for refusing to send representatives to Russia. Her reply is that she is now, as she has been in the past, perfectly ready to make any changes that genuine Russian interests may demand, but that she can never voluntarily consent to such changes being made over her head, i. e. without the consent of the Diet. In other words, she claims that, if changes are to be made, the constitutional procedure shall be followed, and maintains

that if Russia had only pursued this policy all along, the Russo-Finnish question would never have become acute. Russia, on the other hand, has denied the reality of the Finnish constitution and has sought to belittle the attitude of earlier Tsars to Finland. Into the legal labyrinth we need not descend, though it is worth putting on record that the legal opinion of Europe is generally on the side of Finland.¹

But to the Finns the constitution is the guarantee of their liberties. They can make concessions of every kind, but never concede the constitutional principle. It was in accordance with this attitude that under the circumstances no representatives were sent to the Duma and Council of the Empire. It was felt that to have sent them would have been to recognize Russia's right to alter the Finnish constitution without the consent of the Finnish Diet—in other words, to surrender the constitutional principle.² It is round this principle that the subsequent struggle has raged. The Duma proceeded to pass two measures for Finland. The one conferred full rights of Finnish citizen-

¹ The relations of Russia and Finland in their legal aspect were discussed early in 1910 by a group of juriconsults who met in London. They included the late Professor Westlake, Sir Frederick Pollock, Professor Léon Michoud of Grenoble, Professor A. de Lapradelle of Paris, Professor Ernest Nys of Brussels, Professor W. van der Vlugt of Leyden, Professor Gerhard Anschütz of Berlin, Professor L. von Bar of Göttingen, and Dr. C. V. Nyholm, formerly of the Supreme Court of Denmark. They agreed unanimously to certain conclusions, of which the following may be quoted :

1. The rights of Finland in respect of her constitution are not a figment of Finnish 'imagination', but an historical reality ; they do not form a 'dogma' in which the Finlanders believe without being able to offer proof, but a juridical truth scientifically demonstrated.

5. The introduction in Russia of a constitutional system could not modify the position of Finland. . . .

7. If the superior interests of the Empire demand the establishment of a common procedure for dealing with certain internal affairs, it pertains to the Diet either itself to determine those affairs or to consent to the creation of a body charged with determining them.

² Stolypin's proposal implied, moreover, the withdrawal from the Diet's competence of nineteen categories of legislation. These were of a far-reaching nature and included the establishment of the programme

ship on Russians residing in Finland ; the other had to do with the military contribution exacted from Finland since the dissolution of the Finnish army.

According to Stolypin's procedure, these measures were laid before the Diet as matters about which it was allowed to express its opinion. The Diet had no serious objection to either of the measures, but refused to discuss them, on the ground that it had a right not merely to give an opinion about them, but a decision, and that to discuss them would be a tacit admission of the Duma's claim to legislate for Finland. Accordingly, the measures were returned to the Duma, which proceeded to make additions to them, imposing severe penalties on Finns who should ignore them or resist their execution. The sequel was a conflict between Finnish and ' Duma-made ' law, which led to the arrest and imprisonment in Russia of nearly the entire Supreme Court of Viborg, the members of which, including some of the most eminent men in Finland, had the extraordinary experience of being tried and condemned before a local court in Petrograd.

III

Such have been the first attempts to solve the relation between the Russian Government and the democratic West. But it may well be hoped that the proclamation issued to the Poles by the Grand Duke Nicholas heralds a new era, a new method of approaching the problem. It should be remembered that Russia has never embraced the policy of repressing small nations with the thoroughness and consistency which Prussia, Magyar Hungary, and Turkey have shown in this respect. In the Balkans her record is a good one. She has been the friend of liberty and nationalism, and has made many sacrifices to these

of instruction in and the inspection of schools' (sec. 9); the regulations relating to public meetings, societies, and associations (sec. 10); legislation with regard to the press in Finland and the importation of foreign publications (sec. 12).

ends. In Poland the record is different, but it should not be forgotten that Prussian influence has always been very strong in Russian official circles,¹ and that it has deliberately aimed at keeping Russia and Poland at daggers drawn, lest the kingdom of Poland should be reconstituted. 'How our existence could shape itself if a new Kingdom of Poland were to be formed nobody has yet had the courage to think out,' said Bismarck in 1894,² voicing the sentiment of the whole of Germany. In Finland Russia's record is not merely good but altogether admirable down to 1899. The country never flourished so much as under Russian supremacy and protection.

It is perfectly true that the recent proclamation to the Poles coincided with a fresh attack on the Finnish constitution, which was all the more regrettable because Finland at the beginning of the war gave a striking demonstration of her loyalty to Russia. The writer himself witnessed the kindness of the Finns to the many thousands of Russians who returned home destitute, and saw the crowds that turned out to welcome the Dowager Empress, as she passed through Finland, with flowers and song. He talked with Russians who were both amazed and touched by the warm hospitality of a people whom they had been taught to regard as bitterly anti-Russian, and he noted the satisfaction of the Finns at the Grand Duke Nicholas's proclamation thanking the Finnish railwaymen for their admirable work during the period of mobilization. He also observed the pleasure of the Finns at the new tone of appreciation which became manifest in several Russian newspapers which are usually strongly anti-Finnish. That these cordial relations were broken is a matter for heartfelt regret. But it is not a matter for despair. It is difficult to believe that after the war the Finnish question will not be treated in a new spirit.

¹ See some interesting information on this subject in the *Political Quarterly* for December 1914: 'Germany and Eastern Europe', by L. B. Namier.

² *Reden des Fürsten Bismarck*, vol. ii, p. 467.

What will be done it is, of course, impossible to foretell. On the one hand, it may be hoped that the bureaucratic solving of the problem, by the method of annihilating Finland, will have been finally discredited. On the other hand, it seems improbable that there could be a return to the conditions that existed previous to 1899, however much Finland might desire it. For it is obvious that the relation of Finland to Russia cannot remain unaltered indefinitely, if Russia is unsatisfied with that relation. She is unsatisfied, and, though it increases her present difficulties, ultimately this may be a good thing for Finland. In the long run it may prove a finer destiny to be a citizen in the federal Russia to which so many Russians look forward, than to be merely the citizen of a small and self-contained State.

Meanwhile one may perhaps attempt to set out roughly some of the conclusions which a study of the controversy suggests.

When the Russian abandons the purely legal position and asserts boldly the principle that Finnish interests must give way before Russian interests, if the two clash, one cannot but follow him. It is with his application of the principle that we may quarrel. For, in the first place, his definition of the 'imperial interests' is so wide as to lead to the withdrawal from the competence of the Finnish Diet of many purely local matters about which only Finns can legislate with the necessary knowledge. And, in the second place, Finnophobes in Russia have often invented a 'clash' of interests, when no such clash really existed. It is only just that changes which may mean much to Finland should not be made unless a real need for them is proved to exist. And, in the third place, if Russian interests really demand changes either in the Finnish constitution itself, or in the laws of Finland, Russia is morally bound to try and get these changes made in the way provided for in the constitution.

Conversely, when the Finn maintains that the Finnish

constitution ought to be observed, that if changes are made they ought to be made in the manner therein prescribed, and that changes should be made only if a real necessity exists, it is impossible not to agree with him. Moreover, in his contention that Finland cannot afford to surrender the constitutional principle, and that in striving to maintain it she is fighting not only her own battle but also that of the Russian people, the Finn has the support of the liberal Russians. This has been made clear time after time in the Duma, and was strikingly demonstrated last winter in the speeches delivered by Professor Miljukoff and other Russians at the funeral of the aged Finnish statesman, Leo Mechelin.

On the other hand, the Finn cannot be held quite blameless. There is a good deal to be said for the Russian comment that Finland has been content to enjoy the unprecedented prosperity that Russia has afforded her without a corresponding effort to appreciate Russia's problems and point of view. This is not, indeed, altogether Finland's fault. The two liberal Tsars encouraged her strong feelings of nationalism, and, never having had a foreign policy of her own to control, she naturally finds it difficult to understand Russia's imperial problem. Nevertheless, it remains true that while Finland's attitude to Russia has always been strictly and punctiliously correct, it has often been far from sympathetic and somewhat provincial. There has been no serious attempt to understand the psychology of Russia or to realize the implications of an imperial, as distinct from a national, citizenship. There has been little effort on the part even of politicians to master the Russian language and the workings of Russian institutions. Rather there has been a tendency to shrink from contact with Russia. One may understand and even sympathize with this attitude in the past, but, if rigidly adhered to, it will prove disastrous to Finland in the future. The very qualities of stubbornness which have saved her during the last fifteen years, may

prove a danger. Concentration on a single issue, however necessary it may be, tends to produce a type of politician which is somewhat unimaginative and inelastic when called upon to deal with a new order of things. There can be little doubt that the Finns will forfeit much of the world's sympathy if they cannot convince outsiders that they are capable of adjusting their outlook to changing conditions and of feeling the claims of a wider citizenship. But this wrong mental attitude of Finland is no justification for the policy of coercion adopted by Russia. It is not for us, with our records in North America and Ireland, to take up the parable on the subject, but we may at least be permitted to hope that Russia will in the long run avoid repeating our mistakes.

To-day it is in the direction of a federal system that the eyes of most thoughtful Russians are turning. The vastness and complexity of the Empire are revealing more and more the clumsiness and inadequacy of the administrative machine (even when, as is often the fact, it is manipulated by excellent human material), and the growing necessity of an extension of local government on a federal basis. The natural position for Finland, if, as seems the case, the buffer State position is a thing of the past, would be to form a unit in a Russian federal system. Indeed, one cannot help hoping that Russia may before long decide to institute a federal scheme to include not only Finland, but the other nations on her western fringe, the Poles, the Lithuanians, the Letts. To these might be added other portions of the Empire as they grew ripe for the responsibilities of self-government.

Perhaps the first sign of the emergence of such a principle is to be seen in Stolypin's proposition that Finland should send representatives to the Duma. That proposition was rejected by Finland in the form in which it was made, for reasons which have already been explained. But it might well be revived in another form, so that Finland, while having a definite share in the foreign and

imperial responsibilities of the Empire, is yet left a free hand in internal affairs.

That a war with Germany should give the impulse to such a movement would be peculiarly appropriate. For while the Prussian spirit would crush what is different from itself, the Russian spirit is rather to live and let live. The long and close association of the Russian and Prussian courts has resulted in the permeation of many Russians with the Prussian spirit, and is responsible for much of what is unsympathetic to English people in the Russian system. The war, rightly interpreted, is not merely a war on behalf of the smaller Slav nations, but a war for the emancipation of the Russian spirit itself from the foreign fetters that too long have trammelled it. Nevertheless, big changes such as these cannot be made easily or without opposition. It is not to be assumed that a federal system will be introduced in Russia immediately, and for some time to come Finland may have to look to the Tsars and to the growing liberal opinion in Russia to safeguard her position. The Tsars have been her best friends in the past. Is it too much to hope that they may be so no less in the future ?

ARTHUR READE.

CANADA IN WARTIME

THE war, it is scarcely necessary to say, has dominated the life and thought of Canada as of other parts of the Empire since the fateful days of July. Every little while, it is true, some earnest individuals or leagues feel called upon to undertake a campaign to bring home to their more stolid brethren the seriousness of the present crisis. Doubtless Canada has not been affected in the same degree as the United Kingdom. Though the seas are one, the Atlantic is not as easily bridged in thought as the English Channel; if our own coasts and border lands were feeling the chief brunt of war, conditions would in large part be reversed. To dwellers on this peaceful continent (north of the Rio Grande) armament and high diplomacy have meant less than to seething Europe, and it has not been possible to improvise the intimate knowledge and the keen interest which, for good or for ill, are part of the European's birthright.

Yet if the war has not absorbed every other interest and brought new ways of life, as reports from the Mother Country indicate has occurred there, it has gripped the heart and the imagination of Canada as no other event has ever done. Even neutral spectators could realize that the world's fate hangs in the balance—and Canadians are not neutral spectators. With few exceptions they are heart and soul at one with Britain in the war, convinced beyond a shadow of doubt that the responsibility lies with Germany, that her victory would for generations be fatal to political freedom and international honour, that Sir Edward Grey did all that mortal man could do to avert the crash, that Britain had no option but to fight, and that the fight must go on until a decisive and lasting

victory is assured. So far as Canada's own part is concerned, neither Parliament nor people have faltered. Over a hundred thousand men are under arms, of whom nearly fifty thousand are already in England or at the front. From every corner of Canada men have volunteered in numbers exceeding the power of the authorities to train or equip them. A hundred and fifty millions have been granted by the Dominion Parliament by unanimous vote, and every province has made a special gift for the war. Red Cross funds, Belgian funds, funds for the support of soldiers' families, have been subscribed with a liberality surprising in a hard-times year. Khaki uniforms fill the streets, and the lost art of knitting has been revived. Slowly the conviction has come home that this war is our war; our part in it is not, as in the Boer War, a testimonial of affection for the Mother Country, but a realization of our own duty and of the cause at stake.

Opinion, it was said above, is almost unanimous in support of these measures. Almost, but not entirely so. Especially in the prairie west there are a few undigested German and Austrian settlements which still feel themselves part of Europe. Canada has been largely successful in her task of assimilating the tens of thousands of immigrants who have poured in since 1900. Schools, churches, newspapers, have played their conscious part; the daily work had moulded more; transcontinental railways and Dominion-wide banks, national parties and Canadian Clubs, have done much to give a sense of unity to the far-flung half-continent. Yet the policy of settlement in solid rural blocks or in certain city wards—whether due to the foreigner's clannishness, as the average Canadian considers, or to the Canadian's aloofness and airs of superiority, as the Ruthenian is apt to retort—makes assimilation slow. Religious, or rather ecclesiastical, interests have led to attempts to keep the foreigner isolated, and therefore safe from heresies. The task is made more difficult than that of the United States by the

division of allegiance here between Canada and the Empire or the United Kingdom. It would be possible to make the Ruthenian a good Canadian in time; it is difficult to make him an Englishman or Irishman. The emphasis which Canadians of English, Irish, French, or Scottish birth or descent place upon their origin naturally encourages the man from Eastern Europe to cherish his own hyphenated form of patriotism. Fortunately, the communities in question are neither large nor influential, and time is on the side of unity.

A very different problem is presented by the small section of Quebec opinion which has opposed any active sharing in the war. This dissent has not been based upon doubts as to the substantial justice of the Allies' cause or lack of sympathy. True, in some ultramontane circles, in the early weeks of the war, when the Prussian hosts were crashing through to Paris, there was a feeling that perhaps this scourge was of God, that the ungodly nation that had disestablished the Church and exiled the religious orders, whose great buildings are rising in many parts of Quebec, was only meeting merited punishment. But this feeling soon passed, and sympathy in these circles with godless—or perhaps repentant—France is now almost as great as with orthodox Belgium.

Mr. Bourassa and his followers have been at pains to point out that Britain now, as ever, has followed the call of interest, as well as the call of honour, and that she has had her part in the tortuous diplomacy and the ambition for territorial expansion which led up to the present war. The main points made by this group, however, are that so long as Canada has no share in the control of foreign policy she should take no part in war except to defend her own shores, and that in the present crisis Canadians would do more for the Allied cause by staying at home and growing the wheat and manufacturing the supplies that are needed, than by spending hundreds of millions to give ineffective aid on the battlefield. The military

importance of farm and factory is being more clearly recognized each month of the war; but in urging Canada to confine itself to this work, however necessary, Mr. Bourassa has proposed a kind of specialization not likely to commend itself to men with any fighting blood in their veins. And as to the claim 'no representation, no regiments', most people agree with Mr. Bourassa that the present condition of affairs is anomalous, but they have no doubt that the same decision would have been reached had the Dominions had a voice, and at any rate they do not wish to debate such issues until the job in hand is done. The leaders of the group are able campaigners, but in face of the vigorous position taken by the Government leaders, as well as by Sir Wilfrid Laurier and Mr. Lemieux, they seem to have found little backing in Quebec. That province has done its full share in the tasks the war has imposed.

IMPERIAL ISSUES

Aside from this group, there has been little systematic public discussion of the imperial and foreign relations of the future. It has been felt undesirable to emphasize the points that divide Canadians, and until the issue is decided and men know whether it is in a world using a brief truce to arm for a fiercer struggle, or in a world returning slowly to sanity, that they are to live, many will suspend judgement. The opposing schools of opinion have drawn lessons from the war, the one side emphasizing the need of central organization to secure uniform and effective action, and the other pointing to the eager and unquestioning aid which the self-governing Dominions have given spontaneously. On the navy issue, the concrete question which brought out the difference between the centralizing and the co-operation schools, there has been a mild exchange of newspaper paragraphs, the advocates of a contribution urging that the prophesied emergency has come and that Canada's three Dreadnoughts

are missing from the North Sea when they are needed; while the Canadian navy defenders stress the adequacy of the allied fleets for the present crisis, the good work done by Australia's ships, and the action of the Canadian Government itself in commissioning the *Rainbow* and the *Niobe* and two Chilian submarines. If the war results in removing the German menace for the immediate future, the Pacific will increase in relative importance, and the possibility of Canada, with the support of both political parties, uniting with Australia to provide the British Pacific fleet also increases. This, however, is for the future to decide. So far as the land forces are concerned, the question of control has not been prominent. Discussion has turned on the administration and training of the militia. In spite of rapidly increasing expenditure, it is felt that the militia, especially in rural districts, leaves much to be desired. The advocates of universal training have become more numerous since the war, but there is at present no prospect of Government action in this direction.

It is assumed that the Dominions will be consulted in drawing up the terms of peace, and particularly South Africa and Australia with reference to the disposition of the neighbouring German colonies. The feeling that for the future the Dominions should be consulted in determining foreign policy has been much strengthened, but whether this increased participation should come by sharing in a central Imperial Defence Committee or by consultation between the separate Governments, has not received much attention. It is pointed out, however, that the Dominions are not so lacking in a voice in foreign affairs as is sometimes assumed. So far as commercial relations are concerned, Canada at least has not only a voice, but the sole voice, and in semi-political arrangements with the countries nearest us she takes an increasing part. Canada's relations with the United States or Japan are as much a part of the Empire's foreign policy as the

United Kingdom's relations with Serbia or Austria. The issue of peace and war, however, remains with the United Kingdom unshared.

DOMINION POLITICS

In Dominion politics there has been an uneasy truce. Patriotism and partisanship have been uppermost by turns. The Government has had a free hand in both its war and its ordinary policy. It has faced a difficult situation with energy and seriousness. The Opposition has given unanimous support to the general war proposals of the Ministry. Yet the possibility of an early election has been dangling over the heads of Parliament ever since last summer, and in view of this possibility both parties have been manœuvring for party advantage. The action of the Government in raising the duties on British as well as on foreign goods gave the Liberals an opening for some imperialist fireworks, and the charges of graft and corruption in war contracts are being probed with zeal. As the chief accusations thus far concern a Conservative member of Parliament and officials appointed by the late Government, and as the patronage system which is at the bottom of most of the grafting has been common to both parties, honours, or dishonours, are even, but in the present mood of the country such revelations would hurt the party in power most. An appreciation of this fact, and a patriotic reluctance to plunge the country into a bitter election contest, a year or more before the term of this Parliament expires, and when there is no division between the parties on the main issues of the war, have thus far enabled the better elements in the Government forces to restrain the desire of the machine politicians to snatch a khaki victory by holding an election in the midst of the war.

In provincial politics the distinguishing feature continues to be the disparity between the Government and Opposition forces. Whether in Liberal Saskatchewan or Quebec, or in Conservative Ontario or British Columbia,

the Government has a majority so great and so assured as to make it increasingly autocratic. The Cabinet continues to gain in favour at the expense of the Assembly. In some cases the Opposition has been too weak to provide an effective check upon Government extravagance or corruption. During the past year the Government of Ontario, after a successful appeal to the electors, has been reorganized with the Hon. Mr. Hearst as Premier; the Government of Manitoba has been re-elected, but with a very narrow majority, and the Government in New Brunswick has been reconstructed in consequence of proof of corruption in railway and timber deals—all three Conservative Administrations. A fourth Conservative Government, that of British Columbia, where the Opposition now consists of one Liberal and two Socialists, will go to the electors this spring, with a certainty of more evenly balanced representation.

THE ECONOMIC SITUATION

But it is not in the fates of Governments, federal or provincial, that the people of Canada are chiefly interested. Next to the war, it is the economic situation that absorbs attention. It is a time of stock-taking and heart-searching, as well as of facing the immediate difficulties caused by the ending of the speculative orgy of the past dozen years. The war has not caused the collapse; war-orders have helped industry nearly as much as the stringency of credit, the disturbance of markets, and the difficulty of ocean transport have hindered it. The reaction was due in any case, and the people of Canada frankly recognize it. Fortunately, the liquidation has been gradual; commercial failures in 1914 were three times the average in amount of liabilities, but there have been no big smashes. The newer transcontinentals, hard hit by the tightening of credit, have been assisted by Government guarantees or loans of Government notes, and some of the construction and equipment establishments have turned to war

orders. The crop of 1914, while hardly average in quantity, brought record prices, and the prospects of a harvest this year beyond all precedent keeps business courage up. The banks, which continue the amalgamating tendencies of the past few years, have proved the stability and efficiency of the financial structure, and, in spite of criticisms from disappointed borrowers, are generally credited with co-operating with the Government to handle a difficult situation well. London being closed to all but Federal Government loans, New York has come to the rescue, and provincial and municipal governments and private enterprises are borrowing there fifteen to twenty millions a month.

TAKING STOCK

In taking stock during this period of reconstruction the Canadian people are recognizing that both in public and private affairs our sins have been many, sins alike of omission and commission. There is no question that Canada in the past ten years has added greatly to its productive capacity. There is equally no question that the growth has been one-sided. We have railway equipment and factory equipment adequate for a people of twelve or fifteen millions, while farm production has not kept pace with the growth of population, and has even decreased in many older sections.

In building railways, factories, and towns, we have incurred a debt abroad of about \$3,000,000,000, on which the interest is at least \$125,000,000 a year. The funds borrowed in Britain were largely invested in purchases in the United States: in the fiscal year 1913 our imports all told rose to \$686,000,000, of which \$450,000,000 were from the United States and \$140,000,000 from the United Kingdom. The exports were only \$377,000,000. 1914 saw the exports rise eighty and the imports fall fifty millions. We are still borrowing largely—at present rates over \$200,000,000 a year, a sum equal to the borrowings

of the first six months of 1914. But the loans are lessening, and as the supply of fresh capital slackens and the aggregate of interest mounts, the need of exports exceeding imports becomes apparent. The manufacturers are carrying on with much effect a 'Made in Canada' campaign to lessen imports, while the recent tariff increases will have the same tendency; high prices for staple farm products, it is hoped, will swell the amount and value of future exports.

The farmer at last is receiving his share of attention. So long as hundreds of millions of foreign capital and hundreds of thousands of foreign immigrants kept the wheels of industry whirring, the elementary need of increasing farm production was little considered. Not that Government missionary work has not been done; federal and provincial authorities, by means of agricultural colleges and agricultural classes in high schools, demonstration and experimental farms, and county advisors, have done as much as those of any land to bring the best methods of production and marketing home to the farmer. Yet their work has hitherto been counteracted by other forces. Now new vigour is being thrown into this educational campaign. The Federal Government especially, since the war began, has done its best, by speakers and pamphlets, to show the need of combining 'Patriotism and Production'. The campaign has clearly had its effect, but many farmers resent being preached at by city critics, and insist that the best aid the Government can give is to cease favouring manufacturers by protective tariffs, which increase prices or tax-burdens, and make it more difficult to get labourers for the farm. Many of those now foremost in urging the farmer to produce and export more were foremost, three years ago, in defeating the reciprocity attempt to open the markets of the United States to Canadian farmers. Whether the Government should abandon its policy of favouring manufacturing or should simply supplement this policy by extensive aid to farming,

by agricultural credits, market facilities, and technical education, will be a debated question for years to come.

This question shades into questions of public finance. Hitherto the Dominion has depended almost exclusively on tariff and excise revenues. The slackening in construction and the war have lessened imports and lessened revenues. Meantime expenditures have kept mounting higher. The Finance Minister was faced this year with the probability that for 1915-16 the revenue would not be more than \$120,000,000 on the old basis, while ordinary expenditure would be \$200,000,000 and the second war vote \$100,000,000. To bridge this gap he has resorted mainly to loans; the entire war expenditures and fifty millions of ordinary expenditure are being borrowed in London. About thirty millions fresh taxes have been imposed, some twenty-two millions by increases of five to seven and a half per cent. on the tariff rates, including nearly all articles previously on the free list, and eight millions by taxes on bank-note circulation, trust and loan companies' gross income, insurance companies' net premiums, and stamp taxes on railway tickets, telegraph messages, cheques, patent medicines, and letters.

The increases in the tariff, and especially in the British preference, have been severely criticized, but under all the circumstances it is difficult to see what other course could have been taken. The increase of custom rates will probably be more protective than revenue-bearing in effect, but no other source was immediately available. It is significant, however, that the Finance Minister devoted some time to explaining why he had not levied an income tax. While it would have been impossible to provide the administrative machinery in time to produce funds for the current year, the fact that for the first time in our fiscal history a Finance Minister has had to consider the income tax seriously is of weight—more weight than the arguments advanced against it, the probable small yield at United States rates, or the necessity of leaving most

direct taxes to the provinces. Whatever the provinces may do, it is certain that direct taxation is going to figure more largely in future in Federal budgets.

The province of Ontario, faced with a large deficit, adopted the simple expedient of a tax of a mill on the dollar on all real property, businesses, and incomes, as assessed by municipalities at present. This tax is to be collected by the municipalities at the same time as the local taxes. While imposed to meet war conditions, it is not likely that, once the plunge has been made, such a fertile source of revenue will be abandoned. The difficulty of uneven local assessment, which marks the general property taxes as levied at present in the United States, will have to be faced if the tax is retained, but that is for the future, and meanwhile the province receives an extra two millions with a minimum of effort. In the western provinces, municipal experiments in single tax are not standing very well the acid test of depression.

The lack of any thorough study of the working of existing taxes, the possibility of new sources of revenue, or the co-ordination of federal and provincial taxes, is only one symptom of the happy-go-lucky carelessness prosperity entails. Prosperity, national and individual, the preoccupation of a continent on the make, was not its only root. Machine politics, the fewness of inspiring leaders, the lack of vital issues in politics, are also responsible. In the stock-taking now proceeding it is not only the production of wealth, but its distribution, that is being considered, and not only the interests of the present, but of the coming generations. The awakening of the United States to social consciousness and a social conscience, and the rapid development here of the evils which are there found in fuller bloom, have given a more serious and a more radical tinge to Canadian thought the last half-dozen years. The waste and exploitation of the common heritage of natural resources, the unchecked speculation in land, the failure to grapple with the housing difficulties

presented by the inpouring of tens of thousands of permanent and transitory immigrants, the isolation of the western homesteader, the lack of adequate technical training for our children, are all problems that at last are receiving serious study.

Most encouraging is the changed temper toward the machine politician. The busy man's good-humoured tolerance has been giving way to indignation against incompetence and corruption. Now in the shadow of war and death this indignation is growing more intense; and the seriousness of the evil is brought home to all. If this worst canker is removed from the body politic as a result of depression and war, the silver lining will be a notable one for Canada. 'The last four days of this session of Parliament', declared Sir George Foster with truth last August, 'have vindicated Canadian public life and parliamentary life for all time to come; they have shown that it is possible for us to forget all mean and petty things when our country and its highest liberties are at stake.' That high level of pure patriotism has not been, could not be, maintained, but in country and Parliament alike, the standards demanded of public men are steadily rising.

But for these questions democracy has years and generations, if need be, for the solving. The issue of political freedom and international honour must be decided in the next few months, and in Canada, as elsewhere, it will continue to hold men's half-dazed senses to the subordination of every other interest.

O. D. SKELTON.

STATE CONTROL OF PRICES AND PRODUCTION IN TIME OF WAR

THE appropriate limits to the intervention of the State in economic affairs is a matter on which most varied opinions are held, the arguments commonly put forward falling into one of two main classes. On the one hand, there are practical considerations, such as the efficiency of the machinery of Government, its representative character, its elasticity, its ability to focus the demands of the public and to secure the service of the best brains in the community; and on the other hand, there is the general question as to the desirability or otherwise of curtailing the sphere of action of private persons, having regard not merely to vague claims to individual liberty, but also to whether private or collective action is the more likely to secure desirable economic development.

But to whatever conclusion the balancing of these considerations may lead, it will be agreed that in time of war the economic functions of the State must inevitably be enlarged, and may in certain contingencies be almost indefinitely extended. In order to carry on a campaign under modern conditions, the State has not only to secure supplies and munitions for armies which represent a considerable fraction of the male population, but also to monopolize to some extent that most vital element in economic organization—the means of transport. Moreover, the negative side of the arguments referred to are appreciably weakened under war conditions. As regards practical considerations, war introduces conditions which the individual often has not the necessary means of assessing, so that for once in a way the State knows more about what is going on than the private business man. As regards the general question of principle, on the other hand,

private persons are unusually willing and even eager to subordinate their interests and wishes to those of the community, and to accept any restrictions which may contribute in ever so small a degree towards a successful issue. Constant appeals are made to the Government to give light and leading as to how individuals should act, and any suggestion from an authoritative source carries infinitely greater weight than in time of peace.

The Government may even assume that pecuniary and other sacrifices will, if necessary, be cheerfully borne. According to Ruskin, 'the general lowness of estimate in which the profession of commerce is held as compared with that of arms' is due to the fact that while the soldier is ready if need be to die in defence of his country, 'the merchant is presumed to act always selfishly'. Whatever one may think of this antithesis in times of peace (and clearly it does much less than justice to the business world), it is certainly untrue in time of war, for the great mass of the commercial and industrial classes have shown they understand that their function is not to 'profit' but to 'provide'. 'In true commerce, as in true preaching, or true fighting, it is necessary to admit the idea of occasional voluntary loss—that sixpences have to be lost as well as lives, under a sense of duty; that the market may have its martyrdoms as well as the pulpit; and trade its heroisms as well as war.' In a recent trade journal we read, for example, that 'Sheffield manufacturers are giving the first claim to the Government demand for munitions of war, though by so doing they are missing the opportunity of developing new lines of business abroad which would repay them far better in the long run, since it would mean a permanent addition to their output'. Such statements could be multiplied in every walk of life and in all belligerent countries. In spite of the invaluable aid which has been voluntarily given from all quarters and particularly by business men since the outbreak of war, tradition and the experiences of peace have perhaps

made our own Government unduly shy in appealing to and making full use of these generous impulses. The introduction of new motives is one of the most significant factors which make a difference between the economics of war and the economics of peace.

The most difficult of all the problems which the Government is called upon to solve is that connected with the regulation of prices. Economically speaking, society is bound together by the 'price link'. Labour and land are directed to various uses, and capital, as well as commodities, are produced and distributed in response to the call of prices; and experience teaches that attempts to produce artificial variations of prices are apt to produce unlooked-for and harmful reactions which frequently nullify the object which the regulations seek to attain. A striking example of this, which it may be well to recall, is the experience of the State of San Paulo, which attempted a few years ago to regulate the price of its chief product—coffee. For reasons which need not be entered into here, prices of coffee fluctuate violently, and the State Government thought very reasonably that it would be better for all concerned if they could be steadied. It, therefore, conceived the idea of buying up surplus coffee when crops were abundant, in order to prevent a fall of prices, and of selling off the stocks again when crops were short, and so keeping the prices from rising to excessive heights. This scheme promised well in a series of good years, and the State accumulated large stocks of the commodity. But the maintenance of good prices in years of surplus was so much to the planters' liking, that they increased their area of production to such an extent that the lean years never came; after some years the State was driven to virtual bankruptcy and was only extricated by a Commission of international bankers, who took over the enormous accumulations of coffee at considerable loss to San Paulo and placed them on the world's markets at regular intervals. This experience illustrates the difficulty

—one might almost say the impossibility—of attempting to regulate prices without also controlling production; and this is the first and foremost precept to be borne in mind when attempting to regulate prices.

Yet even this rule is not absolute in time of war when people are ready to act from non-economic motives. In the early days of August, for example, the system of 'recommended prices' coupled with the urgent solicitations of the press were, to no small extent, successful in inducing many shopkeepers to accept less than the highest possible prices they could have obtained for their goods. The patriotic shopkeeper realized, when the panic of the public began to send up retail food prices, that his duty was arbitrarily to limit the amount of his sales to the usual purchases of each customer, and many of them refused offers from wealthy but terrified householders who wished to lay in stores of provisions. Such action amounted in effect to a voluntary regulation of output.

In no country, however, is the goodwill of citizens sufficiently assured to prevent some persons taking advantage of emergency conditions for their own interest. In Germany, for example, the system of 'recommended prices' gave place to that of 'maximum legal prices', while at a later stage the German public was recommended to mix potato meal in their bread for the sake of economy, and as this did not secure the desired result, the system of maximum allowances had to be introduced. With regard to these measures, it is stated in the *Labour Gazette* for March that :

'In the case of the maximum prices fixed for cereals at the end of October, for example, the fact that these prices varied according to zones led to cereals being attracted away from some districts to others, where the prescribed rates were more advantageous. Thus complaint was made that South German millers bought largely at the lower maximum rates of North Germany, to the detriment of the Northern millers. Again, higher maximum prices by automatic fortnightly increases, commencing from 1st January, 1915, were prescribed for corn. This was for the

purpose of encouraging farmers to withhold some of their stocks until later, and was a device which succeeded so well that the Government were obliged to introduce measures for compelling farmers to sell. Another feature of the October decree as to maximum prices of corn was that a distinction was made between barley for brewing and barley for fodder, only the latter with a weight of not less than $54\frac{1}{2}$ lb. to the bushel being subject to the law. The result was that it soon became impossible to buy barley of a lower weight than $54\frac{1}{2}$ lb. to the bushel; but barley over that weight was fetching a price which was stated to be the highest realized for any sort of corn during the last decade. A decree dated 24th December fixed one maximum price for barley irrespective of quality, in order to put an end to some of these abuses, but on 15th January the Government found it necessary to issue a further order restricting the milling of corn, prohibiting night baking, and prescribing the use of rye and potato preparations in the making of bread.'

The difficulty, in fact, with all such regulations is that one or two black sheep are able to defeat the best intentions of the mass of the public. While, therefore, conditions of war are peculiarly favourable for Government control and direction, it is evident that the old difficulties are apt to arise and need to be guarded against.

But in any case it has to be remembered that the readiness of people to act from non-economic motives is limited in the case of any belligerent to its own nationals. This consideration makes it very much more difficult for Great Britain, with its extensive oversea connexions, to handle the problem of prices than for Germany, in which the disturbing element of foreign trade hardly enters at all at the present time.

This is particularly important in the case of wheat, which has to be attracted to this country from every possible source. In this connexion it should first be noted that, having regard to the extent of our dependence on oversea supplies, Germany chose to make war at a very favourable moment for this country. To appreciate this point it is necessary to consider briefly the changes of the last few years. Eighteen years ago Great Britain was almost entirely de-

pendent on the United States for its imports of wheat, and the agitation which led in 1903 to the appointment of the Royal Commission on Food Supply in Time of War was based upon the fear that a continental war, combined with a corner on the Chicago wheat market, would quickly reduce Great Britain to starvation. Since that time, wheat prices, though following a slightly upward tendency, have shown a greater steadiness than ever before, while our sources of supply have become much more general and less dependent on any one set of economic conditions. The following wheat calendar of arrivals and harvests indicates that at all seasons of the year supplies are coming to this country from different quarters of the globe :

<i>Month.</i>	<i>Harvests.</i>	<i>Arrivals commence from.</i>
January .	New Zealand, Chili, South Australia	Pacific Coast of America.
February .	{ Egypt, India	Argentina.
March .		Australia.
April .	Lower Egypt, India, Asia Minor, Central America	Calcutta and Bombay.
May .	Central Asia, China, Texas .	Delhi.
June .	South Europe, Southern States of U.S.A.	Kurachi, America (winter wheat).
July .	Northern State, Central Europe.	America (winter wheat).
August .	Canada, England	America (spring wheat).
September .	{ Scotland, North Europe . . .	Russia.
October .		Canada.
November .	South Africa	—
December .	Argentina	—

None of these countries of supply are entirely reliable, and prices would be very unsteady if we relied unduly on any one of them—a fact which is borne out by considering the sources from which we imported wheat in 1903, 1905, 1908, and 1910 :

IMPORTS OF WHEAT AND FLOUR INTO GREAT BRITAIN

<i>Country.</i>	1903 <i>Million cwt.</i>	1905 <i>Million cwt.</i>	1908 <i>Million cwt.</i>	1910 <i>Million cwt.</i>
United States	46·7	14·9	39·6	18·1
Canada	14·5	8·0	17·9	20·3
Argentina	14·2	24·1	31·8	15·3
Australasia	—	11·9	5·8	14·3
Russia	17·3	25·7	5·1	28·9
India	17·1	22·9	3·0	17·9
Other sources	6·9	6·7	5·9	4·3
Total	116·7	114·2	109·1	119·1

In the first of these years Australia suffered from drought ; in the second, North America had a very small exportable surplus ; in the third, India, Russia, and Australia had poor crops, but North and South America filled the gap, while in 1910 the United States and Argentine supplies were short, but Russia, Canada, and India sent unusually large quantities. Hence, throughout the past decade and a half, our total imports have shown only slight variations in spite of these fluctuations, thanks to the fact that, in the matter of wheat, we have ceased to put all our eggs into one basket. In the last of the years in the above table it will be noticed that we were almost entirely dependent on eastern countries and on Australia, and it is evident that the closing of the Dardanelles, together with the depredations of German cruisers in the Indian Ocean, would have stopped a large proportion of our supplies if these conditions had obtained in 1915. If, moreover, Germany had chosen to fight in March or April, when our own harvest is exhausted, when few countries are sending us supplies and when stocks at home are generally at their minimum, we might quite possibly have had famine within a month or two. In point of fact, war broke out three weeks before we reaped our own harvest which happened to be a particularly good one, and though the world's harvests in 1914 were very much below those of the previous year, it so happens that the chief exportable

surpluses for the year were those of North and South America—the routes from which we can most easily protect against a Continental enemy. The following table shows how the fortune of the harvests has favoured this country as compared with the other belligerents :

	<i>Harvest, 1913</i> <i>Million</i> <i>quarters.</i> (480 lb.)	<i>Harvest, 1914</i> <i>Million</i> <i>quarters.</i> (480 lb.)
United Kingdom	7·1	7·8
France	38·9	38·0
Russia	121·9	100·9
Hungary	18·9	15·7
Austria	7·5	7·0
Germany	21·4	18·0
Rest of Europe	69·2	57·0
United States	95·4	111·4
Argentina	14·3	24·0
Canada	29·0	20·2
India	45·3	39·3
Australasia	13·5	3·5
Rest of the world	20·3	19·0
Total world's harvests	502·7	461·8

It will be noted that imperial sources—Canada, India, and Australasia, all have poor crops, the last-named having suffered from very severe drought. But in spite of a fall of 8 per cent. in the world's harvest, there is an unusually large yield in the markets most accessible to us, while no less than half the drop in the world's crop is accounted for by the Russian deficiency—a source from which we are temporarily cut off.

In spite, however, of this relatively favourable situation, there is, of course, not sufficient wheat to satisfy all demands at the previous price, which accordingly rose, after five months of war, to about the same level that was reached during the Crimean War. Clearly, the most effective step that the Government could take to relieve the wheat market is the forcing of the Dardanelles, for though Russia has not so much as usual to sell, and has used abnormally large quantities of wheat for the provisioning

of her own army, she has lost her central European markets, and could, doubtless, send us very considerable supplies between now and August.

Another important factor is the supply of shipping, which is said to have prevented the Argentina crop from coming to market as quickly as usual. It is exceedingly difficult to discover how far, if at all, the lack of ships has prevented wheat reaching this country; but the idea that high freights are actually the chief element in the enhanced level is certainly not justified, since the cost of freight is a very small item in the price of wheat. If there is not enough shipping to convey wheat to market, prices may rise to almost any extent in those countries which cannot obtain it, but that this is not the chief consideration in the case of Argentine wheat is shown by the fact that at one time bread prices were as high in Buenos Ayres as in London, owing to difficulties of internal transport and financial embarrassments. It would be a measure of unexampled magnitude for the Government to take over British shipping and to decide where it should be sent over the world; and, in view of the commandeering of very large numbers of British ships for naval and military transport purposes, and of the fact that an even larger proportion than usual of our imports is carried in neutral bottoms, such a step would not put at the disposal of the Government a sufficient supply of mercantile tonnage to meet the difficulty except by starving other branches of commerce. Measures for the more rapid discharge of shipping at British and French ports would doubtless help somewhat, while measures to increase the wheat acreage at home would affect production in the near future. But it has to be admitted that no steps which the British Government could take could really bring the price of wheat in this country back to its old level unless the Government were prepared to buy up at open market prices all the wheat required for British consumption and to sell it at a loss.

The complaint that prices are kept up by middlemen,

bakers, &c., if it is true, stands entirely on a different footing. In that respect, the Government would be dealing with its own nationals and with the problem of internal distribution, and it would certainly be within the bounds of practicability for the Government to fix a sliding scale for the retail price of bread, varying in accordance with the world price of wheat. But there is no evidence that the rise in bread prices has, to any considerable extent, been caused by the undue profits of middlemen, and in the circumstances it would be of very doubtful utility for the Government to add to its many difficult tasks the problem of fixing a great variety of local retail prices.

The question of coal, again, is on a different footing from wheat, for its production could, if necessary, be entirely controlled by the Government. The Committee on Retail Prices of Coal point out that when a shortage of any commodity occurs, prices are apt to rise quite out of proportion to any change in the cost of production and distribution, for the different consumers compete to get hold of the available supply.

‘In theory at least such an increase, though apparently arbitrary, may be expected to perform three functions: it acts as a danger signal warning consumers to be careful of their stores; it ensures the distribution of the available supplies to those who are willing to pay most, i. e. presumably to those who have the greatest need; and it automatically attracts further supplies, thus providing its own remedy. This system may work satisfactorily in normal times, but the plain fact is that it has broken down in the extraordinary circumstances of the present winter so far as household coal is concerned. It has no doubt enforced economy among consumers, but it has not ensured distribution where supply was most needed, because the poor could not afford to pay the prices demanded; and it has not attracted additional supplies with enough speed to prevent much inconvenience and suffering, because either normal supplies were not available or they could not be brought up.’

In view of these difficulties the Committee recommend that the Government should take very considerable steps

to deal with the question, their main recommendations being as follows :

- (1) Exports to neutral countries should be restricted.
- (2) Steps should at once be taken to consider, in consultation with the public bodies concerned, the question of accumulation by such bodies of reserves of coal in or near London, for the use of small consumers during next winter.
- (3) The rates of freight on the interned steamers should be further reduced.
- (4) Suitable enemy ships condemned by the Prize Court should be taken over by the Government and used for coal transport :
- (5) If prices do not shortly return to a reasonable level, the Government should consider a scheme for assuming control of the output of collieries during the continuance of the war.

It should be noted that, though the final recommendation suggests the possibility of controlling output, the root of the matter is that the Government should decide which of the various competing consumers should be allowed to use the coal which is available. The fact that coal is required for every industry in the country, and yet cannot be readily increased in supply, has always tended to raise its price to famine levels during a really big boom of trade. The output of coal is limited by the number of men able to work at the face at any one time, and even when labour is obtainable, the physical difficulties prevent any considerable elasticity of output. At the present moment, the fall in output is undoubtedly to a large extent concerned with the enlistment of miners, and though this class supplies some of the most suitable recruits for the kind of warfare which is now being waged in Flanders, it is clear that the Government could not permit an indefinite withdrawal of skilled coal miners for the forces, seeing that none of the possible labour substitutes (overtime, introduction of labour-saving

machinery, employment of women and juveniles or old men) are available in this industry. The coal supply of Great Britain could be controlled much more easily than wheat; and the case for action depends on the weighing of the present drawbacks against the difficulty of improvised State administration. But the question of production is already largely in the hands of the State, since it is limited by the activity of the recruiting sergeant. Distribution is really the critical question, and in this matter the Government has an almost infinite variety of possible but untried resources varying from friendly advice to the trade to a complete control of distribution.

A third case of considerable importance is that of sugar, in which market the Government intervened almost immediately after the outbreak of war. Sugar is entirely an imported product and Germany a main source of supply. At the outbreak of war the Government was faced with the possibility that the whole sugar output of Germany, Austria, France, and Russia might cease in view of the withdrawal of large numbers of the male population for the armies of the belligerents. If this happened, the world would have been dependent upon the cane sugar output which amounts to something like half the total sugar production in any one year. Under these circumstances it was important that we, as the chief sugar-using country of the world, should secure some of the available supplies, and the Government went into the market and bought by private negotiation immense quantities of cane sugar at prices more than double those previously obtaining. Events have proved that the production has not ceased as might have been expected and beet sugar has been available for consumption in Europe. Hence prices have not been as high as was at first feared, and the Government in October found itself in the position of having bought supplies at a higher price than that which subsequently ruled in the open market. Faced with the prospect of a heavy loss on its transaction, the Government

prohibited the import of sugar, partly to prevent British consumers from benefiting the enemy by purchasing his sugar indirectly and partly to safeguard its own supply. The result is that during the last six months sugar-users—confectionery manufacturers, &c.—have suffered from a higher price of raw material than their competitors abroad. Viewed in the light of subsequent events the Government action was an unfortunate speculation as to whether or no Europe would or would not produce sugar last year. If it had not done so, this country might have been very hard hit. As a matter of fact, the fear was falsified; but in view of the uncertainty at the outbreak of war it is unreasonable to blame the Government for having taken action.

The prohibition of the export of confectionery and of raw wool are other instances of action taken by the Government to protect our supplies. In the former case the embargo was quickly removed, as being an unnecessary drag on a luxury trade already hard hit in the home market, while the second helped to secure reasonably cheap material for the manufacturers of khaki cloth during the autumn. In this matter Great Britain has been assisted by the efforts of Australia which for a while forbade the export of Australian wool to other countries than the United Kingdom.

There remains the question of munitions of war. Ever since the outbreak of war it has been evident that to an increasing extent the utmost capacity of this country would be taxed to provide shells, guns, and other war material. The lion's share of these articles is provided by half a dozen large firms and by Government yards and arsenals, and except so far as the latter are concerned the Government still buys by inviting tenders. It is, however, difficult to see how the price of such goods can be fairly estimated or how much should be allowed for profit in view of the abnormal conditions obtaining. In the case of certain heavy munitions it is notorious that only a few firms are capable of manufacturing the goods, and in such

cases production is stretched to the utmost regardless of cost. It would undoubtedly have helped to allay the feeling that certain firms were profiting at the national expense if immediately on the outbreak of war the Government had dealt with the large armament firms on the same lines as it dealt with the railways, namely, to guarantee a certain definite profit and to require that the whole staff and plant should be placed at the disposal of the Government. The stimulus of private profit is not required in war-time, for experience has shown that people of all classes will work to their utmost capacity if they are offered the privilege of serving the State. The Government and the armament firms have free access to each other's patents and secret processes, and yet the farce is constantly performed of inviting the armament firms to price their goods. The proposal to tax all war profits at a heavy rate would seem to be an inferior alternative to requiring all persons engaged on Government contracts (at all events in firms exclusively engaged on Government work) to work for salaries, with reasonable compensation to shareholders for lost profits.

Whether the State should assume full and permanent ownership in certain cases as well as a controlling direction, is a more complex question, since full nationalization involves problems of future policy which the public is not in a mood seriously to consider.

This course is, however, plainly in the minds of the members of the Coal Prices Committee; it is believed by many to be a probable outcome of the bargain between the railways and the State; it has been freely canvassed as a solution of the drink question, while the position of the large armament firms presents perhaps the strongest case of all. The public, moreover, is so prepared for sweeping change that little surprise would be felt at the addition to this list of other important industries. The general arguments for and against cannot be discussed here, but in all such cases the problem which is least likely to be properly considered is that of assessing fair terms of

compensation, though it has to be remembered that the terms now fixed may pledge the future indefinitely. But the Government is naturally anxious not to provoke strife and bitterness, it would seem that in the case and of the railways this desire has led them to adopt an unduly lavish principle. Subject to certain provisos, the companies have been guaranteed during the war the net profits of 1913, i. e. a boom year when the companies were just beginning to reap big profits from the increased rates permitted under the Lloyd George concession of 1912. Traders, railway servants, and the travelling public have strong grounds for urging that these profits represent an unduly large share of the receipts from transportation. But in spite of the fact that many traders are suffering severe loss of business or a narrowing of profits through rising costs of production, the railways are guaranteed a net profit at the maximum profit of recent years. The longer the war lasts, the more surely will the resulting dividends grow into a Government-secured vested interest, which will inevitably become the basis of nationalization, if the State should decide to assume permanent ownership at the end of the war. Thus shareholders would not be called upon to bear the losses which now or hereafter may have to be faced by British industry generally.

The case of the drink trade is similar. Apart from the intricacies of the 'tied house' problem and the over-capitalization of many firms that have an undue quantity of such assets on their balance sheet, it is evident that a really strong voluntary abstinence movement would greatly reduce the profits of the trade and lower the monetary value of the industry. But if it were nationalized on the same basis as the railways, posterity would be permanently saddled with an interest charge based on the drink consumption of the last few years. Such claims on the future income of the community need to be scrutinized with the very greatest care. For though the sums involved look small when compared with the appalling

figures that will be added to our capital liabilities on account of war expenditure, excessive compensation in any industry will not only press like a dead weight against all attempts to raise the earnings of those employed in it, but will make so much the harder the task of establishing an adequate sinking fund with which to commence an assault on the National Debt. Unless care is taken to see that sacrifices are fairly distributed, we may arrive at a situation in which industries will seek to be nationalized in order to cast the burden of prospective losses on the State. If they succeed in doing this, we shall indeed be in danger of following the fate of San Paulo.

W. T. LAYTON.

LABOUR UNREST AND THE WAR

THERE occurred during the month of February 1915 no fewer than forty-seven disputes between employers and workmen.¹ The number of operatives directly involved in them considerably exceeded 26,000. The industries concerned were for the most part those very industries in which the normal rewards of labour in times of peace are not a little above the average, and to which the war itself promised a period of unusual continuity and regularity of employment. They were industries so essential to the mere conduct of the war that the owner of labour-power became for the time being far the strongest bargainer in an emergency-market. England was confronted with the spectacle of workmen engaged in the production of vital

¹ These disputes are summarized in the Board of Trade *Labour Gazette* for March, from which we abstract the following details :

<i>Groups of Trades.</i>	<i>No. of Disputes.</i>	<i>No. of Workpeople involved.</i>		
		<i>Directly.</i>	<i>Indirectly.</i>	<i>Total.</i>
Building	3	4,710	815	5,525
Coal mining . . .	2	170	1,350	1,520
Engineering . . .	10	9,040	50	9,090
Shipbuilding . . .	5	610	—	610
Other metal . . .	1	92	—	92
Textile	2	4,050	—	4,050
Clothing	4	295	363	658
Transport	12	6,781	300	7,081
Other trades . . .	8	381	—	381
Total	47	26,129	2,878	29,007

Most of these disputes—34—arose out of demands for advances in wages, 5 out of other wage questions, 5 out of the employment of particular classes or persons, 2 out of working arrangements, and 1 out of a question of trade union principle. Less than one dispute in four survived the month. Ten were settled in favour of the workpeople, 17 in favour of the employers, and 16 compromised. In 7 out of the remaining 10 work was resumed pending further negotiations.

necessities, banded in unions as powerful as any we know, and adventitiously bulwarked by a national crisis of inestimable gravity, demanding an increase in already high remuneration, and threatening perhaps to 'down tools' if the increase were not granted—in short, placing their own immediate interests before those of the nation at a time when the nation could ill afford to divide its attention. So at least it appeared or was represented to be.

The accidental and relative scarcity which lent such force to those demands was, however, all the greater by reason of a fact which should at least give us pause before we charge any part of the community with lack of thought for the nation's interests. In spite of deliberate discouragement on the part of the Government, the industries to which we refer have suffered proportionally more by enlistment in the new armies than those which the war has either not affected or affected adversely. We should have expected *a priori* that those classes of operatives to whom the war meant short time or unemployment would have provided the largest percentage of volunteers. Yet, to take but one example, by February only 11.6 per cent. of the male cotton operatives had joined the forces, while in shipbuilding and in engineering, trades from which men could ill be spared, the respective percentages were 13.9 and 16.1. Allowance perhaps should be made for the possibility—I think we could venture to call it the fact—that cotton would necessarily show a larger proportion of unfit and rejected men, but even so our engineers and shipbuilders would appear to be as patriotic, in bulk, as those engaged in industries in which no dispute has arisen, or in which the promptings of patriotism were artificially backed by lack of remunerative employment. Hence it is of the first importance that we should examine the issues involved in the labour crisis which the war has partly prompted, partly intensified. Let us first disentangle the facts.

It became increasingly evident during the winter that this war was in a peculiar and unforeseen degree a war of equipment and material, and as the demand for the necessary munitions grew, it also became evident that the engineering and shipbuilding establishments were not only not meeting the need, but were actually not producing as much as might reasonably have been expected of them. In consequence of this, on February 4 a Committee was appointed

‘To inquire and report forthwith, after consultation with the representatives of employers and workmen, as to the best steps to be taken to ensure that the productive power of the employees in engineering and shipbuilding establishments working for Government purposes shall be made fully available so as to meet the needs of the nation in the present emergency.’

This Committee consisted of Sir George Askwith (the Chief Industrial Commissioner), Sir Francis Hopwood, and Sir George Gibb, the two last representing the Admiralty and the War Office. In its second Report, issued on February 20, the Committee recommended that ‘no stoppage of work by strike or lockout should take place on work for Government purposes’, and that differences between employers and workpeople which could not otherwise be settled should be ‘referred to an impartial tribunal nominated by His Majesty’s Government for immediate investigation and report to the Government with a view to a settlement’. The Government endorsed the recommendations of Sir George Askwith and his colleagues, and extended the reference of the Committee ‘by empowering them to accept and deal with any cases arising under the recommendation’. Thus the ‘Committee on production in engineering and shipbuilding establishments’ became in effect a court of arbitration, a court whose powers even now still await complete definition.

I

The first wages dispute to come before the Committee began at the end of January in the shipbuilding industry. Moved partly by the continual rise in food prices and partly by the abnormal profits which shipbuilders were generally supposed to be enjoying, the Boilermakers and Iron and Steel Shipbuilders' Society submitted on January 26 a demand for an increase in wages of 5 per cent. for piece-workers and 2*s.* per week (or $\frac{1}{2}$ *d.* per hour where men were paid hourly) for time-workers. This was followed on February 1 by a request on the part of other employees in the shipbuilding yards for a wages conference, a request which was granted, and which resulted in the discussions of February 23 between the Shipbuilding Employers' Federation and the representatives of the various classes of workmen concerned. On that day the boilermakers came into line with their fellows, and a common demand was made for an increase of 15 per cent. in piece-rates and 6*s.* per week (or $1\frac{1}{2}$ *d.* per hour) in time-rates. The employers in reply offered a war bonus equal to the amounts originally claimed by the Boilermakers' Society. A *via media* was suggested by the workmen, who modified their demands ('as a minimum and without prejudice') to 10 per cent. on piece-rates and 4*s.* 6*d.* per week on time-rates. The conference, which apparently lasted only a day, failed to agree on this compromise, and the workmen then insisted on their former common demands of 15 per cent. and 6*s.* Three days later, on February 26, the case came before the Court of Arbitration, masters and men having arranged for this on the 24th. It granted a war bonus of 10 per cent. on piece-rates and 4*s.* per week (1*d.* per hour) on time-rates. The employers had agreed beforehand to accept the Court's award. The men's societies immediately agreed, urging their members

'to continue, and improve where possible, on the time-keeping and the production of ships, munitions of war, and everything necessary to our national welfare in this grave national emergency'.

The actual increase gained by the men was thus twice the original demand of the boilermakers, and twice the offer made by the employers when that demand was at once extended in scope and raised in amount. This dispute was then closed, February 26. The advances came into operation on March 1.

The second important wages dispute dealt with by the Court of Arbitration (or Committee on Production) was confined to the engineering establishments of the Clyde Valley. This was far more complex in character. It is officially reported in the March number of the Board of Trade *Labour Gazette*, but this report presents a very inadequate statement of the case. The origin of the dispute was not to be found in conditions produced by the war, and its details demand somewhat lengthy treatment. The relations of the engineers (employers and workmen) were governed by two separate pre-war agreements. The earlier of these was a wages agreement made in 1911, which fixed a standard rate of $8\frac{1}{2}d.$ per hour to be valid for three years from January 1912, thus determinating at the beginning of 1915. The second was a provisional agreement dated April 1914, which set up certain machinery for conciliation. Shop disputes which could not be otherwise settled were to receive consideration at a local conference to be arranged within seven days of either party's application. Failing settlement at the local conference, the case in question was to be submitted to a central conference, notice to be given at least fourteen days prior to its meeting. It was also provided that until this procedure had been 'carried through' there should be no stoppage, 'partial or general', of work. To this outline of the position must be added two clauses from the general rules of the A.S.E., since they are relevant to the present dispute. They are as follows :

RULE XIII, CLAUSE 7. 'In case of a shop dispute the members shall not leave their employment without the approval of the

District Committee . . . no general strike shall be entered upon in any district affecting the whole of the members unless carried by a majority of three votes to two of the members voting of said district, and no settlement shall be decided on unless accepted by a majority of at least three votes to two.'

RULE XIV, CLAUSE 14. 'The Executive Council, or any one acting on their behalf, shall not be allowed to complete an agreement with any employer or employers concerning wages, piece-work prices, or system of working, unless the terms of agreement, together with a copy of transcript notes, are first submitted to the district or districts affected.'

During the first two and a half years of the operation of the 1911 agreement, that is until June 1914, food prices rose steadily, and the wages of skilled labour in many industries had been increased. Further those thirty months had been a period of great prosperity for the engineers in the Clyde Valley. Hence in that month and before any war-cloud had appeared on the horizon, the District Committee decided to apply for an increase of *2d.* per hour on the determination of the agreement, to come into force that is on January 13 of the present year (1915). Formal notice of this request was sent to the North Western Employers' Association on December 7, 1914. The Association, however, apparently took advantage of a slight breach in technical formality to withhold their reply until December 30, when they refused the demand as unreasonable.¹ In

¹ On the surface it looks as though the men's officials gave inadequate notice to the employers, since the settlement in advance of wages for some considerable period is a highly important matter involving complex issues. But the provisional agreement states that notice of business referred to Central Conference, which meets on the second Friday of each month, must be 'not less than a fortnight'. Hence the position of the men would be that had their demand received ordinary attention they had plenty of time to give the necessary notice for the Central Conference of January 8 (i. e. the next second Friday), whereas the employers by delaying their reply till December 30 automatically made that date impossible, and postponed discussion at least till February 12, thereby depriving the men of at any rate one month's benefit of whatever increase might be awarded. What and how serious was the 'technical omission' cannot be ascertained. It would seem that the January date was not specifically mentioned in the men's request, that the masters took advantage of this not to

consequence of this the District Committee immediately instructed its members, failing a satisfactory reply from the employers, to 'come out' on January 20. The immediate danger was, however, averted by a joint conference held on January 19, at which the employers offered an increase of $\frac{1}{4}d.$ per hour for the first three months, to be raised to $\frac{1}{2}d.$ afterwards. The discussion of this proposal was carried on, with perfect friendliness on both sides, for several hours, but agreement was not achieved. After adjournment the employers on January 22 made a final offer of an immediate increase of $\frac{1}{2}d.$ per hour. Discussion again proved nugatory, and the dispute was referred to the Central Conference, which in the ordinary course of events was to meet on February 12.

At this point matters took an unexpected turn. The Shop-stewards' Committee at one of the factories called a mass meeting, which was attended by between four and five thousand operatives, and which passed a resolution in favour of the abolition of overtime until such date as the employers agreed to a special conference for consideration of the men's demands. (It should be observed in passing that the engineers were not among those charged with working irregularly. Overtime is reckoned only after fifty-four hours per week have been worked, and throughout the winter the majority of engineers engaged on war contracts had worked considerably in excess of the normal day.) A second resolution called upon the District Committee to give effect to the first. This the Committee

acknowledge their letter in time for the January conference to be valid, and that the men believed the masters to be treating them in an underhand way in this respect. Whether this is so or not, the masters do not appear quite blameless in the matter. If the excuse of scanty notice had been open to them, the men might say, they would very probably have used it, but no explanation of their delay has so far as I am aware been offered. On the other hand the 'technical omission' may have been serious enough to provide the masters with a good defence. If that is so it ought to be stated. It does not seem wholly unreasonable to suggest that some blunder, rather than some design, on one side or the other, is the explanation.

refused to do, and although it urged the men to continue work as before, overtime ceased in about fifteen shops, these including all the important armament works. Hence the Executive Council (National) called a mass meeting for Sunday, February 7, and its representatives on that day strongly advised the men to resume overtime on Government work, not only because that work was in itself urgent, but also because the action of the men might be interpreted by the employers as a partial strike, and thus give them a colourable pretext, under the 1914 agreement, for refusing discussion. But delay had already exasperated the men. They adhered to their resolutions, and repeated their demand for the full increase of 2*d.* per hour.

The 'partial stoppage of work' did not, however, prevent a joint conference, for representatives of the Engineering Employers' Federation and delegates of the Amalgamated Society of Engineers, the Steam Engine Makers' Society, the United Machine Workers' Association, and the Amalgamated Society of Toolmakers, met at York on February 12, and recommended to masters and men an advance of $\frac{3}{4}$ *d.* per hour, to date from the day of acceptance, and to hold for six months or the duration of the war. The Executive Council arranged (*vide* rule quoted above) for a ballot of the men to take place on March 9.

Meantime discontent increased rapidly among the men, and this for two reasons. In the first place the day for voting on the recommendation of the conference was fixed so far forward that even if it proved acceptable two months' operation of the increased rate would be lost. In the second place it was extremely probable that the vast majority would refuse to compromise on the $\frac{3}{4}$ *d.*, so that further delay seemed inevitable. Those men who had already refused to work overtime rebelled, and on February 16 the men engaged at the factory where feeling was strongest struck work altogether. In their case the existing irritation was stimulated anew by a belief that certain American workmen, recently imported, were being paid

10½*d.* per hour, the rate which the demanded rise of 2*d.* would produce. The fact seems to have been that the imported workmen were receiving a bonus, but it amounted to only a little over half of the equivalent of 2*d.* per hour. Its pretext was the added expense of living away from their homes. Whether or no the pretext is reasonably founded or truly stated we cannot say. At any rate, the example of the rebellious operatives proved infectious. By the end of February nearly 8,000 men were idle.

A development as important as it is interesting then emerged. The Shop-stewards' Committee which had controlled the early stages of the revolt was at once enlarged to include the stewards of all the shops involved, and became known as the 'Central Withdrawal of Labour Control Committee'. The whole district was divided into sections, each controlled by a local committee, such local committee sending three representatives to the central committee. This latter repeated the claim for an increase of 2*d.* per hour, and in addition demanded to be recognized as the body responsible for conducting negotiations either with the employers or with the Government, for the Government already appeared likely to intervene. They held that the National Executive was too much influenced by fear of Government action to be regarded as a free agent, and they stood forth as the only representatives of the workmen who had revolted. The National Executive in turn defended its action by a reference to the necessity of a joint recommendation from the conference, and stated that since ¾*d.* was more than had been accepted in other parts of the country, more indeed than the engineers in that district had ever received before at one time, they were not justified in risking a complete rupture under the prevailing conditions.

The joint conference had recommended a rise of ¾*d.* per hour. When the District Committee received the ballot papers it made urgent request to the National Executive Council to expedite matters, and in consequence the ballot was completed by February 24. By an over-

whelming majority—8,927 votes to 829—that recommendation was rejected. If the methods of the insurgents were far from meeting universal approval, their insistence upon a greater increase than that accepted by the Executive was obviously in keeping with the feeling of the vast majority of the operatives.

The Executive Council at once communicated the result of the ballot to the employers and to the Industrial Commissioners, and on Friday, February 26, they were summoned (together with the representatives of the other societies concerned) to confer with the Commissioners. At that conference Sir George Askwith's now famous letter was handed to them. The Chief Industrial Commissioner therein stated that he was

'instructed by the Government that they must call for a resumption of work on Monday morning, March 1. Immediately following resumption of work, arrangements will be made for the representatives of the parties to meet the Committee on Production in Engineering and Shipbuilding Establishments for the purpose of the matters in dispute being referred for settlement to a Court of Arbitration, who shall also have power to fix the date from which the settlement shall take effect.'

The main difficulty was that according to rule no further discussion by a joint conference could be expected until the men returned to work. The Executive therefore proceeded at once to Glasgow, met the District Committee, and addressed conferences of shop-stewards and mass-meetings of men. They even issued to the men a circular appealing for an immediate resumption of work. The Withdrawal of Labour Committee advocated a return on the Thursday (March 4), but advised the men to refuse overtime, and to adopt the 'stay-in' strike. But in spite of the fact that most of the mass meetings had accepted the recommendations of this new authority, a large number of the men had already resumed work by the Wednesday, and before the week-end *all* the strikers had returned. Moreover, overtime was restarted, and the 'ca' canny' policy immediately and completely abandoned.

Thus the historic letter achieved its main purpose, but it met with very severe criticism on the ground that it contained a veiled threat of compulsion: it did much to confirm the dissatisfaction of the workers: and even the more moderate workmen regarded it as a serious tactical error.

On Saturday, March 6, a special central conference was held at Sheffield, but this further effort to adjust the wages difficulty without calling in Sir George Askwith resulted in failure. Hence on the following Monday (March 8) a conference was held to discuss the terms of 'remit' to the Arbitration Court. The Government itself asked that the dispute should be referred to that Court, and that its decision should be final. The A.S.E. alone refused, on the ground that their rules demanded a prior ballot of their members, but this ballot was immediately arranged. The Withdrawal of Labour Committee advised that arbitration be refused, but an overwhelming majority of the men—on a small total vote—voted both in favour of arbitration and in favour of loyalty to the resultant award. That award, made by the Committee on Production sitting as an Arbitration Court, was published on March 24. Its terms were as follows:

'1d. per hour or 4s. per week (according to the custom of payment in the various shops) on time-rates, and 10 per cent. on piece-rates: the advance is to come into operation as from the beginning of the first full-pay week after February 12, 1915, and to be regarded as war wages, and recognized as due to and dependent on the existence of the abnormal conditions now prevailing in consequence of the war.'

This award undoubtedly disappointed the men. They had asked not for a war bonus but for a rise in the standard rate, such rise being justified by pre-war conditions. It was widely held indeed that since the real claims of the men had been shelved they were at liberty to seek a further advance. That this view neither did nor seems likely to issue in action is more due to a real patriotism—

a true sportsmanship, if the expressive term be allowed—on the part of the A.S.E. than to any lack of opportunity and occasion for pressing home an advantage.

This last point calls for some emphasis. The A.S.E. has not at any time abused the abnormal position of affairs. Its obedient members have made no effort to escape the burden of the war. Their claim was based entirely on pre-war conditions and arrangements, and it would have been pressed, and that probably with far greater insistence, if the war had not occurred. Further, the A.S.E. cannot be held responsible for the stoppage of work. Throughout the dispute the officials urged the members to remain at work, and to submit to the necessities of this time. The partial strike started as a spontaneous protest against the prevailing conditions of life and work. While the society was agitating for a rise in wages to compensate for the rise in prices that had taken place during the run of the agreement, prices were still rising, not only those of foodstuffs and of coal, but also of houseroom (this phenomenon is apparently peculiar to Glasgow, and the rise in the areas inhabited by these operatives is in many cases as high as 10 per cent.), so much so as to have reduced the purchasing power of an engineer's sovereign by about 20 per cent. between July 1914 and February 1915. Moreover, the employers seemed to be reaping a rich harvest of profit from the war contracts, as well as from such private contracts as they found themselves able to undertake. Lastly, the workmen were undoubtedly feeling the strain of the winter's work.¹ They were pre-disposed to resentment, and the actual outburst only awaited an exciting cause. That cause appeared in what the men viewed as the unnecessary delay of the local conference and of their own Executive Council. It was this that gave the extremists, the converts to the creed of direct action, their opportunity. At an early stage of the

¹ The figures as to working hours published in the daily press of April 19 refer only to the month of March. Exact figures should be supplied for the six months preceding.

protest they took advantage of the situation to make themselves prominent, and they tried to gain control of its subsequent developments.

It would therefore be a grave injustice in those who condemn recourse to the strike as an economic weapon in this time of national emergency to blame the A.S.E. as a whole for what occurred. If blame attaches anywhere it attaches to the syndicalist element in the union. The strike was as much a strike against the A.S.E. as against the employers,¹ and whatever be the merits of those

¹ It is very important to notice the issues, for we are watching to-day the birth-pangs of a new unionism, and this dispute shows quite clearly the divergence between the methods of the past and the proposals for the future which in many quarters are being vigorously urged. The adherent to the unionism still current would argue thus : The Withdrawal of Labour Committee represented the negation of collective bargaining, since collective bargaining implies an agreement covering a period of time, and such an agreement implies in turn an enduring organization of labour. A party to a contract must be either a continuous personality or a legal inheritor of its rights and duties. Thus the Labour Withdrawal Committee cannot be reconciled with trade unionism : it stands for anarchism in the industrial world, and no logic can make it consistent with constitutionalism, for (1) its aim is the destruction of Government machinery ; (2) its economic success depends on the prior achievement of that destruction ; (3) that success if achieved makes it a governing body, open to the same kind of attack and destruction as marked its own rise to power. This is an infinite process whose every link is a breach of continuity, a mode of perpetual succession in which each successor in turn wipes out the obligations attaching to his patrimony.

On the other hand his opponent would urge : there is nothing catastrophic in the new procedure. Existing unionism displays a permanent officialdom out of touch with its constituents and paymasters, and our object is to maintain close connexion between it and them. The only way for us to do this is to leave undefined the period for which they are elected to serve. An official closely in touch with and loyal to his electorate might conceivably hold office *ad vitam*, but we wish to be free to use *ad culpam* against him without notice given. All that happens is therefore a resumption by the body politic of a temporarily delegated sovereignty—no insurgent group can succeed unless its views embody some sort of ‘ general will ’. There is no ‘ negation of collective bargaining ’ in our policy as a whole, for we aim also at the democratic control of production, and like Britain herself we shall never have a revolution because revolutions will be periodic and normal.

It is worth noting that the instigators of the strike were of the industrial unionist, ‘ direct action ’, guild socialist type. The prime

theories which promoted it—this is hardly the place to discuss them—there can be no doubt that in this case, at a time when, if ever, the workmen stood in need of wise leadership, they were led astray. It cannot be said that its results in any way justified the revolt, for the dispute would inevitably have been submitted to the Arbitration Court, and the Court cannot be said to have dealt more generously with these men than with the shipyard workers. Dissatisfaction with the award was rife among the men who remained at work : it was rife also among the insurgents. Thus the revolutionary leaders not only ignored their responsibilities, but also overrated their powers. Certainly it looks at first sight as if the position of the engineering workmen has been weakened rather than strengthened by the award of the Arbitration Court. What the A.S.E. sought was an advance on the old standard rate, and an agreement on the new basis ; the employers offered a smaller advance, and that not in the form of a new standard rate but as a war bonus ; and the Court awarded a war bonus. At the end of the war the minimum wage will again be $8\frac{1}{2}d.$ per hour, so that the real demand of the Union has not been met. At the restoration of peace it is by no means improbable that the engineering trades of Glasgow will suffer from depression, and that in consequence there will be little chance of an advance in the standard rate. That would at any rate be a reasonable view if there were no other factors in the problem, but in point of fact it must be observed that at the time of the June resolution the industrial tide had already reached its height. Probably, therefore, even if peace had continued, the engineering trades would in any case have been depressed, and the December demand of the engineers

agitator was a member of the Socialist Labour Party. At a shop-stewards' meeting at which a representative of the Board of Trade was present, several speakers suggested that profits should be entirely eliminated from war contracts, that the Government should take over the works, and *that the men were quite prepared to organize the work themselves.*

in consequence have proved futile. Anyway, they stand where they were.

As the last example we shall use to illustrate the problems implied in the title of this article, let us turn to a difference—it can hardly be called a dispute—between masters and men on the subject of output. It had reference to the methods to be adopted for accelerating the production of munitions of war. In the engineering and shipbuilding trades the interests of the men were safeguarded by certain regulations which, however desirable or necessary in normal times in the eyes of the trade unionist, in this present crisis seriously interfered with the rate of output. The primary *raison d'être* of the Government Committee of three actually was the discovery of means for accelerating and maximizing production.

The problem involved in this looks simple and single enough at first sight. To maximize production means, given machinery and material, to maximize each labour-hour and the aggregate of labour-hours, to expand at once intensively and extensively the labour engaged on the product. But this general solution is not satisfactory, since there are peculiar difficulties in the way of making the most effective use of the producing capacity of each industry concerned.

The first of these difficulties is that created by the long-customary irregularity of attendance at work in shipbuilding. The first interim Report of the Committee on Production, issued on February 16, dealt specifically with this evil. It makes the following statement :

‘We are informed that a considerable proportion of the time lost by riveting squads in shipyards is due to habits of irregularity which the method of workmen appears to encourage. We understand that the members of the respective squads present themselves for work, but if one of the members is absent the squad is a “broken” squad, and the other members are unable to begin work.’

The pre-war remedies for this irregularity varied from place to place, but none was regarded as entirely satis-

factory. Consequently the Committee recommended that the employers and workmen be requested to 'establish within ten days an arrangement for dealing effectively with the question of "broken" squads. Failing agreement within that time, we recommend that any outstanding differences should be referred forthwith to this Committee for immediate and final settlement'. An agreement was arrived at between the shipbuilding Employers' Federation and the Boilermakers' Society by which a 'market' of labour was to be held in reserve, from which gaps should be filled. Meantime adequate safeguards for the interests of the workmen were provided. The scheme, however, is purely experimental, and the employers are expected to report to the Committee on its effectiveness.

The second difficulty related to the shortage of skilled labour. The rigid delimitation or demarcation of work between different classes and grades of skilled and semi-skilled workmen made it impossible to recruit, at short notice, a sufficient number of men eligible to fill the gaps created by enlistment and the new posts created by extensions. Hence the Committee on Production, after 'extended consultation' with the two parties concerned, issued an interim Report (the third) on March 4, in which they recommended the abolition (in respect of Government work and for the period of the war) of the restrictions which mark this demarcation, and suggested a number of plans whereby labour might be safeguarded against later abuse. A provisional agreement on the lines proposed was made on the following day, at Sheffield, between the Employers' Federation and the allied engineering trade unions. It was arranged that the men engaged in the making of tools and gauges should be skilled men. Those to be employed in setting up machines might be drawn from other branches of the engineering industry, provided they were qualified for the work. Operations on which skilled men had been employed, but which called for relatively little training,

might be performed by 'semi-skilled or female labour'. In all cases the standard rate already prevailing for any such operation was to be maintained. Further, when peace conditions were restored the *status quo ante* was also to be restored—that is, those promoted were to resume their old places, and the new workers dismissed, where necessary, to make room for the re-engagement of those serving in the army. Here again safeguards were proposed for the protection of the workmen's interests. Since the rules of the trade unions concerned necessitate a ballot, the agreement has yet to be approved by the members of the A.S.E. and kindred societies.

The third difficulty concerned the practice of restricting output, and the danger of a complete stoppage of work through disputes arising between employers and workmen. This difficulty was examined by the Committee on Production in its second interim Report, dated February 20. The Committee pointed out that workmen engaged in the production of shells and fuses restricted their output to such an extent that their earnings were limited, 'on the basis of existing piece-rates, to time-and-a-half, or whatever the local standard may be'. Such restriction was regarded as necessary, in times of peace, as a measure of protection to the piece-rates, which are of course the resultant of the weekly earnings assumed to be desirable and the 'normal' rate of output. If the normal rate of output were increased, the 'weekly wages assumed to be desirable' might be kept constant by a reduction in the piece-rate. The recommendation of the Committee on this point calls for comment. 'As the only consumers of shells are the Government, we recommend that firms engaged in the production of shells and fuses should give an undertaking to the effect that in fixing piece-work prices the earnings of men during the period of the war should not be considered as a factor in the matter, and that no reduction in piece-rates will be made unless warranted by a change in the methods of manufacture.' With such

protection, it is argued, the workman might be called upon to increase his output to the fullest possible extent. If this recommendation were adopted it would be tantamount to the establishment of a legal minimum wage¹ in an industry which, if the alleged objects of the war are achieved, must become enormously reduced in importance. It should be stated that in addition to this the enforcement of compulsory arbitration was strongly urged by the Committee.

On Wednesday, March 17, the Chancellor of the Exchequer addressed the representatives of practically all the unions of those industries which are engaged in the production of munitions and equipment. He pointed out that the Government intended to use its powers under the Defence of the Realm Acts to assume control of such factories as were or might be employed with advantage in the crisis, and to limit the profits which might be enjoyed by the employers and shareholders. In return he asked for an extension of the agreement already made in the ship-building trade (relating to the relaxation of the rules governing the demarcation of working grades and the employment of semi-skilled and female labour) to all the industries engaged directly or indirectly on work required by the Government, and made an appeal for compulsory arbitration, and for the abolition of all rates restricting output. Two days later nearly all the representatives consented to recommend to their workmen an agreement embodying the proposals of the Committee and the Chancellor, and including such safeguards to labour that their interests will not at the restoration of peace be prejudiced by the temporary relaxation of those restrictions which they believe to be essential, under peace conditions, to the maintenance of collective bargaining. In brief, the *status quo ante* will be restored. The first two clauses secure that no stoppage of work shall take place 'upon

¹ A legal minimum wage may of course be based either on time or on output. Cf. the decisions of the Trades Boards.

munitions and equipments of war or other work required for a satisfactory completion of the war', and that disputes which cannot be settled by mutual agreement 'shall be dealt with under any one of the three following alternatives as may be mutually agreed, or in default of agreement settled by the Board of Trade: (a) the Committee on Production; (b) a single arbitrator agreed upon by the parties or appointed by the Board of Trade; (c) a Court of Arbitration upon which labour is represented equally with the employers'. The agreement further provides for the formation of an Advisory Committee, consisting of representatives of the trade unions affected, 'for the purpose of facilitating the carrying out of these recommendations and for consultation by the Government or by the workmen concerned'. This Committee obviously marks a real advance in the opportunities of organized labour, and provides a valuable social experiment.

An important point arises out of the fact that the representatives of the unions, the A.S.E. and the Miners' Federation, withheld their consent to the agreement. Those of the A.S.E. were apparently not satisfied with the safeguards. Consequently, a week later they were called into conference with the Chancellor and his colleagues. The safeguards were more clearly and rigidly defined, and their consent gained. Among the more precise clauses is the following: 'That it is the intention of the Government to conclude arrangements with all important firms engaged wholly or mainly upon engineering or shipbuilding work for war purposes, under which their profits will be limited with a view to securing that benefit resulting from the relaxation of trade restrictions or practices shall accrue to the State.'

Since this second agreement was signed by the Chancellor of the Exchequer and the President of the Board of Trade, the Government is pledged to the policy of limiting profits in the armament trades. Exactly what this means, and what it may come to mean, it is quite

impossible to say. We are not definitely told that it refers only to the war period or to war conditions, though the qualification of benefit suggests that this is what is intended. But it should be noted that under modern conditions the delimitation and definition of industries is a matter of very great difficulty ; that there seems to be no valid reason for distinguishing between an industry (such as shipbuilding) directly engaged in producing munitions of war, an industry (such as steel manufacture or coal mining) indirectly so engaged, and an industry (such as boot and shoe making) partly engaged in Government work and partly in private work. Thus it is not easy to see how this policy can be limited to any particular group of industries.

The restrictions now abandoned in engineering during the period of the war had been the subject of negotiation between employers and workmen for some weeks before the Committee on Production was formed. These negotiations, however, had ended in failure, partly because the safeguards offered by the Employers' Federation did not apply to non-federated employers, and partly because the safeguards themselves were regarded as insufficient. In the Government agreement all the chief requests of the employers were granted, but the safeguards were made stronger. Hence all that remains is to set up adequate machinery for scheduling the customary restrictions which are relaxed or abolished, so that no difficulty of interpretation will arise when the war is over, and production is again carried on under the old conditions.

The withdrawal of the miners' representatives from the conference cannot be explained in the same way. Organized labour as a whole, it is well known, objects to compulsory arbitration and the surrender of the right to strike. Its representatives consented to give up that weapon for the time being in view of the national emergency. To put the case in other terms, the public could not afford to 'stand aside', to 'hold the ring' during

a strike at the present moment, simply because the interests involved are too serious to permit this sort of impartiality. Now coal mining is a 'public-utility' industry, in which continuity of production is essential, even under ordinary circumstances, to national existence. A national coal strike under modern industrial conditions immediately creates a national emergency, and the public cannot easily see its vital interests imperilled. Thus there may be brought against a coal strike in normal times precisely that argument which we recognize as valid against a strike in the armament trades to-day. Hence if the miners were to consent to compulsory arbitration now, on the ground of national needs, they would logically be compelled to recognize such needs in times of peace, and to submit to them. It is probable therefore that the appeal to national emergency leaves them cold—they have heard it so often, and they fear it as a weapon that can be used against them. It is quite conceivable that the Government will ultimately be compelled to control this industry, not by way of defending the miners against their employers, or the employers against the miners, or the nation against either, but simply because of the character of the commodity produced. The dilemma is thus as follows : if the miners consent to waive the right to strike now, they go far to surrender it for all time : if they seek a guarantee against the future introduction of compulsory arbitration, they ask in effect for powers which no Government would be justified in granting.

So far we have been concerned with the three outstanding cases of difficulty. It is highly important to observe that the issues at stake were different and peculiar in each of them. In many other industries and districts the men have asked for and obtained war bonuses. In certain cases their requests have been refused on the ground of war-depression. In this connexion the case of the tin-plate industry is especially interesting. It has been hard hit by the war, yet it is reported that on March 15

the Conciliation Board 'agreed to grant a war bonus of 1s. per week to those earning under 15s., 2s. per week to those earning between 15s. and 20s., 3s. per week to those earning between 20s. and 30s., and 2s. to those earning between 30s. and 40s.'. Apparently the large proportion of workmen receiving over 40s. per week are to receive no bonus. The bonus seems to have been granted on a principle which deserves very careful attention; reference will be made to it later.

II

The demand of the miners for an increase of 20 per cent. in their wages may give rise to serious difficulties, but we cannot discuss it in this place since the situation created by it has not as yet sufficiently developed.¹ Common, however, to two of the disputes treated at length above, and to most others, is a more or less successful application for advances in wages, for the most part in industries favourably affected by the war. None the less, this is not the only phenomenon of importance in these disputes, and it may actually prove of less ultimate weight than many others. Among the problems, for example, which present conditions will leave as a legacy to future years, are two created by the agreement whereby the trade unions, subject to certain safeguards, relaxed their restrictions on output.

In the first place, it is not impossible that the producing capacity of the workman as stimulated by the war may prove markedly in excess of his regulated output in times of peace. More than once has the significant wish been expressed that the abolition of overtime work (or of Sunday work) should accompany the accomplished removal of restrictions on output, on the ground that the

¹ I learn from unionists that the idea behind their refusal of separate local settlements and their appeal to the Government is solidarity. In all areas the masters have conceded much of the demand.

total output over a period would thus be increased. Such a wish is sufficiently in accord with normal experience and scientific investigation, and it raises a question of the deepest interest alike to employees and employers. In the second place, it is not clear whether or no the special and extraordinary war-workers, who are to be dismissed when those who have joined the forces return, will be permanently shut out of the trades which emergency has made them adopt. If shut out, shall they be compensated? If not, shall they still compete, and thus endanger the standard rate in those factories in which the unions are weakest? And if the standard rate is to be preserved, will it not necessitate a legal minimum wage such as is implied in the Committee's recommendation concerning the makers of shells? The safeguards provided in the existing agreement may in the long run prove no more effective than those offered by the Employers' Federation in the preliminary stages of negotiation. The tremendous issues raised in these problems cannot in this article be more than outlined, but they seem to cut at the roots of the economic organization that we know, and to foretell a long struggle between those conservative theorists whose minds and hearts interpret and value competitively and those co-operative spirits who see in increasing restriction and legal guarantee the only hope for the future.

Industrial history, in short, is being made during this war. If the novelties are intended to pass with the war, many will fight hard to maintain them. If the novelties are to stay, their scope will inevitably be extended, and their implications and corollaries realized. Do they involve retrogression, or do they promise progress? Will they increase the national dividend, or lessen it? In either case, to what extent will they affect its distribution? Is it that they will benefit the individual and the exclusive group, or bring nearer the day of that socialized consumption which so many and such diverse creeds expect and desire?

That these large problems are involved scarcely needs proof, but in any case they are clearly enough suggested in two questions of a general character to which we must now direct attention. The first concerns the limitation of the special and abnormal gains produced by the war; the second concerns the incidence of that burden of war which appears in high prices—can it be transferred from those on whom through low nominal wages it presses most heavily?

Complete mutual confidence is an essential prerequisite of success in negotiating the present crisis in our history. It is useless to deny the fact that such complete confidence does not exist to-day. A great part of the general public is suspicious of the workmen engaged in the essential industries, and the working classes are suspicious of the employers. Probably no class can truly be said to be more or less patriotic than other classes. Patriotism, like cupidity, cuts across economic strata. Unscrupulous employers bring discredit upon the group to which they belong; selfish and reckless workmen drag their colleagues with them through the mire of disrepute; mutual suspicion is a legacy of the past, and dies hard. Workmen fear they are but the cat's-paws of their employers: their exceptional efforts in long and hard hours bring, they would say, enormous wealth to their masters: they fear they are serving not the nation but a small group of self-seeking capitalists. In turn they are accused of showing a *quid pro quo* patriotism, of utilizing their exceptional bargaining power merely to promote their own selfish ends, of subordinating the needs of the nation to their union regulations, and, worst of all, of having sacrificed nothing to assist those of their colleagues who are fighting for the nation's good name, perhaps for its existence. We all comfort ourselves commonly with the reflection that appearances are deceptive, but it happens that at this juncture appearances are of more weight than the reality, and belief more important than fact.

In some industries the profits per unit of output are without doubt abnormally high. Many manufacturers and dealers have pressed home all the advantage which present conditions give them. Certain cases of subletting have displayed conditions so scandalous as to call for the most rigorous investigation. But at the same time the total net gains effected in the big industries are open to exaggeration, partly because of increased costs, partly because of a decrease in sales. None the less the gains, where they do exist, are such that some manufacturers and dealers have been moved by a sense of the fitness of things to welcome the proposal to limit profits created by the war. It is this sense of the fitness of things, as well as the need for allaying the suspicions of the working classes, that constitute the justification for that proposal. It is an emergency measure, and cannot, however carried into action, be expected to provide more than rough justice. It certainly should not be judged by the canons applicable to ordinary conditions.

And it will be extremely difficult to put into practice. Contracts with the Allies, profits indirectly due to Government orders, gains created by the rise in prices on the general market, will all have to be dealt with. There cannot be a flat over-all rate, possibly not one rate for all departments of one business. The simplest plan on the whole would seem to be one based on some such provision as that of 1844 applying to the nationalization of railways; but after all the greatest difficulty will not occur in the fixing of the rate—it will occur in determining the cases to which the principle shall apply. In any case the purpose of taxing profits in what may prove a procrustean fashion is not primarily the increase of revenue. It may turn out very disappointing in this respect, and a great part of the proceeds may be swallowed up in compensating for losses directly attributable to the war or to the resultant policy of the Government.

In itself, however, the limitation of war profits will not

be sufficient. Since the war must inevitably result in considerable material loss, no one should escape a share of the burden. Hence the limitation of profits should be accompanied by taxation of the funds created by those profits which are permitted to and appropriated by individuals. Nor would such taxation without limitation of profits be just, for, since shareholders are frequently relatively poor people, the abnormal profits due to the war would escape proper taxation. This question, however, calls for treatment too lengthy for inclusion here, though it was necessary to state it as an important element in the whole problem.

Side by side and contrasted with the extraordinary gains of a few stands the distress of the many, and the working classes are vividly conscious of the fact. Hence discussion naturally arises on the incidence of the burden of war. To limit extraordinary profits has as its corollary to limit abnormal suffering. Hence the second question with which this section is intended to deal.

The first duty of the nation is to do all in its power to bring the war to a successful issue. Its second duty is to reduce to a minimum the sacrifices involved in the performance of the first. The material sacrifice takes the form of a fall in the standard of comfort, and operates through a rise in the general level of prices. The problem, however, which calls for solution is not a new problem; it is essentially the same as that which exists in times of peace, and consists in bringing into closer relationship two things normally separate, normally inhering in different individuals and groups, although their ideal position is one of coincidence; those two things are 'need' and 'effective demand'. But though the problem is not new, the relative importance of the factors which bear on it is so far different from what it was that the problem has changed its aspect. The gravity of the injury inflicted by a rise in the prices of necessities and elementary comforts varies inversely with the income; it is greatest for those

in receipt of the lowest incomes, that is for those who spend the smallest proportion of their incomes on commodities and services outside the scope of necessity.

For the burden in the case of labour is immediate and weighty. It falls on indispensables.¹ The problem, therefore, is not only one of inequality, but of public health present and future. If anything can be done without involving prohibitive penalties, it should be done. It has been suggested that the difficulty created by high prices might be met by a change in wages. To urge advances where bargaining power is strong² seems at once unjust and inconsistent with the policy of limiting profits. To suggest the raising of real wages to their pre-war level³ misses the most urgent difficulties of this season. If the Government by a mere stroke of the pen could abolish the suffering of the community its duty to do so would be obvious. But will is not power. The problem lies in the shortage of necessities and elementary comforts, and no declaration on the part of the Government can increase those supplies, or increase transport facilities. This being so, *some* suffering is inevitable, and the object of the Government should be not so much to bring real wages up to the old level, which would be a matter at the least of extraordinary difficulty, as to spread the suffering over as wide an area as possible, and by spreading to diminish its greatest local intensities.⁴ And this will not be achieved by any simple rise in general wages. Suppose, in the first place, no imports from other countries to be possible. A general rise in wages, without any change in relative wages, would but add to the number of counters which

¹ A piece of investigation the results of which its authors describe as surprising and appalling has just been published. The writer feels himself moved to recommend to those whose acquaintance with the conditions of labour is slight, *Livelihood and Poverty*, by Dr. A. L. Bowley and A. R. Burnett-Hurst.

² *The Nation*, March 6.

³ *The New Statesman*, March 13.

⁴ As Jeremy Bettenham, a legal worthy of the Elizabethan period, wisely said, 'Money is like muck, no good except it be spread'. Adversity belongs to the same category.

would be offered for the (insufficient) stock of necessities, and prices would rise proportionately, while the incidence of suffering would remain unchanged. In the second place, if imports were possible, such a rise in prices would be checked by the arrival of the fresh supplies from abroad; and to that extent an improvement could be effected by an increase in wages. Under present circumstances, however, such imports are achieved with a certain measure of difficulty; prices are already sufficiently high to make Britain a profitable market, but the difficulty of importing is great enough to prevent this economic force from having anything like its normal weight. It is to be feared, therefore, that the policy of raising wages *pro rata* would prove a disappointing remedy, and that the argument advanced to the effect that the higher wages would come out of interest and rent does not carry conviction. We cannot expect to escape suffering, but, as the *Economist* pointed out (March 20), 'the doctrine of privation in war-time is hard to enforce upon organized labour. Those in power will have to set the example'.

And high prices are valuable. They effect an economy in consumption which is highly necessary, and which State-distribution, if undertaken, would have to observe. Their evil is that this economy is excessively concentrated upon a particular group, namely on those in receipt of the lowest wages. The immediate question is not a better distribution of wealth or of purchasing power between the working classes in general and the rest of the community, but a better distribution of the necessities and elementary comforts of life, when supplies are restricted, without distinction of economic classes—the bringing together, that is, of 'need' and 'effective demand'. This can be achieved in either of two ways. The German method is to commandeer supplies for distribution by a local or a central authority. This we may dismiss as unnecessary in this country at the present moment. The alternative is to establish a general national minimum wage during the

emergency. This might be done by a flat increase (percentage or arbitrary), not according to occupation but according to amount of existing wage, or by an extension of the Trades Boards system. As time does not permit us to examine the reactions of such a piece of legislation it is necessary to state that this is neither a plea for nor a defence of it as an article of permanent policy. Existing conditions are exceptional, and the relative values of the ordinary economic arguments are changed. Questions generally raised in this connexion, such as the cost of production, efficiency, and the like, are scarcely relevant here and now. The one and only problem is to prevent extreme suffering among one group, which might produce serious consequences both in the present and in the future.

We have already gone far in this direction. The establishment of the Court of Arbitration, and of compulsory arbitration, is tantamount to the establishment of the principle of a minimum wage. But the Court is guided by no recognized rule or plan. Its findings suggest that it lays greater stress upon the ability of the industry to pay, or upon the bargaining power of the workmen engaged in it, than upon their needs. A universal policy of this character will largely defeat its own object. It is based upon a failure to recognize the true nature of the problem, which is, as has already been stated, to secure an adequate share to all of the restricted supply of necessities and elementary comforts. Bargaining power as a determinant should be jettisoned. The normal economic law, 'To him that hath . . .', should be repealed. And it is in this connexion that the example of the Tinplate Conciliation Board is so instructive. Like the railway companies, it raised wages according to need. Badly paid adult workers received the greatest assistance, women and boys less, while highly paid skilled workers received none at all. But, unlike the railway workers, the tinplate workers enjoyed little bargaining power, for the industry is passing through a period of extreme depression.

The conclusion seems to be that, first and foremost, low wages should be supplemented, and that the efforts of labour should have been directed consciously towards this end.

But a hill may be tunnelled from two sides. Thus far we have worked from the demand side alone, seeking to increase the purchase fund of those most heavily burdened by the war: an attempt should also be made to work from the side of supply, wherever possible, and in the case of those commodities of which a continuous provision is necessary to life, to increase their amount or to interfere with their excessive price. In some cases there are great if not insuperable difficulties; in others action would be simple.

Thus in and about Glasgow there has been, as already stated, a considerable rise in working-class rents: the same phenomenon may have occurred elsewhere. If the purchase of that 'perishable' necessity, shelter, is rendered difficult, a law preventing a rise in rents during and for six months after the war would be at once simple and effective, and it could be coupled with the prevention of distraints in all cases save those in which the landlord can prove his tenant's ability to pay. No serious economic reactions are to be expected.

The case of sugar has been sufficiently canvassed already. The speculation turned out unfortunate, but possibly the ill to be feared was greater than the experiment's cost. In any case it was a valuable experiment. Milk has shown signs of affording a problem, since if it should rise seriously—which will probably not be the case—distribution according to urgency of claim will inevitably be necessary. At all costs the mothers of small children should be supplied at less than market price wherever they proved unable to pay it. But in this case there is much existing machinery, partly connected with the education, partly with the sanitary authorities, which could easily be utilized.

The problem of wheat is grave and difficult. There is a real shortage in the world supply ;¹ some producing areas cannot and others will not export ;² and there is a limitation or a dislocation of marine and land transport, though this does not matter more than very little in the case of wheat, since its price is not determined by freights, though it has to be high enough to attract them.³ The high price which shortage alone would cause is enhanced in the case of wheat by the fact that high food prices increase the extent to which bread is commonly used as a food. Hence rise of the four-pound loaf in some areas to-day (April 24) to $8\frac{1}{2}d.$ constitutes a question of no slight urgency.

Yet to fix a maximum price would solve the problem neither of distribution nor of shortage—it would drive away rather than attract supplies. The task is to increase the ‘pull’ of wheat to this country by exceeding the maximum offers of others. This could be done by the Government itself buying and selling more cheaply to the dealers or preferably to the millers ; it could arrange that the prices all down the scale to the baking-retailer did not exceed given amounts, since sufficient data for their relationship exist. Or there might be offered temporarily a bounty on imported wheat, with or without internal price arrangements according to the needs of the moment. Nothing could be done at no cost to the State, and possibly a better and cheaper way than either of these exists, which would deal jointly with the case of coal. While coal is, for a few months at any rate, a less urgent necessity than wheat, it is temporarily similar in two respects. It has risen considerably in price, in the first place. In the second, its price does not easily admit of a governmental maximum, though this difficulty is not so great as in the case of wheat. Thus a maximum retail price would leave points remote

¹ *The Economist*, January 16, and *The Nation*, January 23.

² *The Economist*, January 9 and March 9.

³ On this point the argument of *The Economist* for January 16 is erroneous.

from the mines unserved: a maximum pit-head price might leave much of the home market in the same condition. This suggests the point at which action is necessary. We are producing even now beyond our own effective demand, and much coal is being exported. The exports should either be stopped or utilized.

It is here suggested that they could be utilized. Briefly, the plan is this. The price of coal has risen in wheat-producing countries such as Canada, which we will take as our example. There, as in England, the changes in the relative prices of coal and wheat are far less than in their absolute prices. In England the Government should fix maximum pit-head prices, and purchase all coal intended for export at those prices. The Canadian Government should perform a corresponding operation in respect of wheat. In each case the home demand at the fixed prices would first be met. The surpluses could then be exchanged either at existing or at pre-war relative prices. Both countries would obtain needs at lower prices, and give surpluses. Legitimate traders would not suffer, while exploiters of the inelasticity of demand would find their market spoiled. In effect each Government would be capturing and utilizing the dealers' profits to pay for a complementary commodity.¹ Municipalities at home might be urged to purchase against the winter considerable stocks of coal at the fixed prices, and an arrangement whereby the poorer purchasers and smaller retail dealers would not suffer is easily made. |

The writer is convinced of the soundness of such action, though the limits of this article forbid treatment in detail. At any rate it remains that the problems of social distress and industrial unrest can and should be attacked both from the side of demand and from the side of supply.

¹ *The Economist* for April 10 states that the Australian Government is commandeering all the surplus meat of the Commonwealth for the British Government. Why not pay for it with commandeered coal? Australia needs coal.

'Business as usual' is impossible, and special measures, measures unthinkable to most of us under a régime of peace, are inevitable. Direct Government distribution on the German plan is extraordinarily difficult, and fortunately for Britain unnecessary. But some measure or measures increasing the 'socialization of consumption' are vitally necessary, and it is claimed that the immediate end of such measures must be the increase of the effective demand of the most needy for supplies inevitably short but artificially attracted and protected. At the same time the means towards this end must be as simple as possible. The plans outlined in this paper follow the lines of least resistance, need no exacting organization or machinery, are in the logical trend of recent legislation and administration, and admit most easily of deviation into whatever may approve itself as the desired norm of post-war politics and economics.

J. H. JONES.

AGRICULTURE AND CHILD LABOUR

PEOPLE in this country had begun to think that the farming interests had reconciled themselves to the education of children, with either a good or a bad grace according as they had become converted or not to its need. But in the confused days of last August, when all of us had for the time lost our bearings, the farmers began to turn to the children as the easiest way of getting them out of the difficulty of finding labour elsewhere to replace that which had enlisted. To withdraw children from the schools is a serious step to take, and one which those who believe in education will agree should be taken only in the hour of our direst need. The children should be regarded as the Landsturm of the labour army, to be used in the last resort, as a last line of defence; instead of which the farmers apparently regard them as the first reserve.

My object is to consider the extent of the demand for agricultural labour, the possible alternatives to child labour, and the steps which have been taken to deal with the question. It will then be possible to determine whether there are good grounds for committing children of eleven and twelve to the farmers instead of to the teachers for a little longer time.

The reports published month by month in the Board of Trade *Labour Gazette*, based on information supplied by the Board of Agriculture and Fisheries and by the Board of Agriculture for Scotland, furnish some guide as to the extent of the unsatisfied demand for agricultural labour since the war began. During the month of August 1914 'the supply of labour was generally sufficient for requirements' in England and Wales, and in Scotland 'there was very little serious shortage of labour'. In certain districts there was, of course, difficulty in obtaining

labourers, and in some areas the position is described as one of 'some shortage' or 'slight shortage', though in Orkney and Caithness-shire the deficiency was 'marked'.¹ The following month 'the supply of labour, on the whole, continued sufficient' in England and Wales, 'although in most parts of the country there were districts where some shortage of labour occurred'. In Scotland 'the scarcity of labour which prevailed to a limited extent in the northern districts in August became somewhat more general during September'.² In the south of Great Britain during October 'labour, while nowhere abundant, . . . was not, on the whole, seriously deficient for the time of the year, although many districts reported a shortage, more particularly of skilled labour'. In Scotland, however, the deficiency 'became more pronounced during October in some districts'.³ 'Labour nearly everywhere was rather short' in November, but 'the deficiency does not appear to have been very serious, as a rule, in England and Wales, but in Scotland few districts appeared to be adequately supplied'.⁴ During December the shortage 'has not, so far, been seriously felt in most districts. It was greater on the whole in Scotland than in England'.⁵ It was reported at the end of the year that 'in most districts there is a sufficiency of labour for winter needs', though difficulties are expected in the spring.⁶ In January 'there was an increased scarcity of labour', but even then, 'generally speaking, . . . the scarcity of men had not been felt seriously up to the end of the month',⁷ so that 'the lack of labour in agriculture could hardly be called acute'.⁸

¹ Board of Trade *Labour Gazette*, September 1914, p. 341.

² Ibid. October 1914, pp. 377-8.

³ Ibid. November 1914, p. 415.

⁴ Ibid. December 1914, p. 450.

⁵ Ibid. January 1915, p. 24.

⁶ Report of the Board of Trade on the State of Employment in the United Kingdom in December 1914. Cd. 7755, p. 10.

⁷ *Labour Gazette*, February 1915, p. 63.

⁸ Report of the Board of Trade on the State of Employment in the United Kingdom in February 1915. Cd. 7850, p. 11.

Again, in February, though 'labour was short of the demand in most districts in Great Britain', and though 'the shortage was more marked than in January', it 'had not become very serious up to the end of the month'.¹

It appears, therefore, that in spite of enlistment, the position of the farmers during the first months of the war was hardly as desperate as many people were led to imagine. This is accounted for partly by the fact that during August the farmers were favoured with fine weather, and good use was made of machinery. 'In addition, much assistance was afforded by farmers mutually among themselves and others. As the month proceeded a certain number of men became available in some districts through slackness in other employments in consequence of the war.'² In September also 'the inconvenience caused by the shortage of men was reduced to a minimum owing to the favourable weather conditions',³ a condition of affairs which extended throughout October. In the succeeding months, however, the situation was saved by the prevailing wet weather, which interfered considerably with work on the land. Then, further, there is ordinarily a shrinkage in the demand for agricultural labour during these months. 'The work to be done in winter is less than at any other season, and in a normal year even the regular hands are not always fully employed.'⁴

It is interesting to observe the kind of labour of which the farmers stood in need. Though what shortage there was affected all kinds of agricultural labour, it was mainly one of casual labourers, and especially of skilled men. A glance at the reports in the *Labour Gazette* shows how frequently there occur phrases such as 'skilled workers', 'skilled men', 'skilled ploughmen and cattlemen', 'experienced men', &c., when complaint is made of a deficiency of hands. At farmers' meetings up and down

¹ *Labour Gazette*, March 1915, p. 101.

² *Ibid.* September 1914, p. 341.

³ *Ibid.* October 1914, p. 378.

⁴ Cd. 7850, pp. 11-12.

the country this question has been raised. 'The great need was for skilled men,'¹ said one speaker; and the use of Labour Exchanges has been criticized because it was considered that they could do little or nothing to supply the deficiency of trained men.

There is another point of some importance to be considered. How far is the shortage which does exist due to the war, and how far to a permanent growing deficiency of agricultural labourers? It has been said that 'this war has not been the *cause* of the labour difficulty—it has merely brought it to a head; for the shortage has existed, and has slowly been getting more serious, for a long time'.² In February, it was said, 'the immediate scarcity of labourers was being most acutely felt', among other places, 'in Westmorland and Yorkshire, where there has been rather heavy enlistment from the agricultural classes, and *where labour was already getting scarce before the war*'.³

It appears, therefore, that during the first seven months of the war there was not a serious shortage of labour in agriculture, that what deficiency there was cannot be attributed entirely to the war, but is in part due to circumstances independent of the war (which called for special treatment), and that the shortage is mainly in the ranks of the skilled workers. This somewhat lengthy statement of the position of the agricultural labour market is indispensable in order to appreciate whether the farmers had a claim upon the labour of school children. The question was first raised by Mr. Charles Bathurst, the president of the Council of Central and Associated Chambers of Agriculture, who on August 28 asked the Prime Minister whether the Government would 'suspend the provisions of the Education Acts' or would 'enable boys over eleven years of age in purely agricultural districts'

¹ *Yorkshire Post*, April 2, 1915, reporting an agricultural conference at York.

² *The Farmer in War Time*, by C. S. Orwin (Oxford Pamphlets), pp. 18-19.

³ Cd. 7850, p. 12.

to be employed, 'a large number of farmers' being 'ready and anxious to facilitate the enlistment after harvest of the younger men in their employ, if they could have the services of boys between eleven and fourteen years of age'. The Premier replied that the matter was 'well within the discretion of the local authorities, who have already had their attention called to it by the Board of Education'. Pressing the point home, Mr. Bathurst then asked, 'Are we to understand that if the local authorities took such action they would not meet with the disapproval of the Board of Education?' Mr. Asquith's answer was brief—'Yes, sir.' It will be observed that the Government imposed no restrictions. Three days later the agricultural interest in the House of Commons returned to the attack when Sir Fortescue Flannery asked whether 'in view of the necessity of encouraging recruiting and the completion of the harvest, and the preparation for next harvest' the Board of Education will 'issue a notice that boys who may be temporarily engaged in field work in lieu of men who have recruited will be excused from school attendance, and that both parents and themselves will be relieved from penalties'. Mr. Pease left the matter to the discretion of the local education authorities. It is to be noticed that when the movement for the use of school children in the fields began, there was a large mass of unemployment in the country. There is no suggestion that alternative methods might first be tried before calling upon children of eleven and upwards. As early as August 12 the Berkshire Education Committee at a special meeting had before it a resolution moved by Sir Cameron Gull 'That the Education Committee will favourably consider any application by employers of labour for temporary exemption of boys of over twelve years of age for harvest and other work in this time of crisis'. The motion was defeated by the casting vote of the chairman!¹ At a meeting of the Sittingbourne and Milton Regis Local School

¹ *School Government Chronicle*, August 22, 1914, p. 136.

Committee held on August 5 the clerk was directed to take proceedings against eleven parents for neglecting to send their children regularly to school. The offence had clearly been committed before the outbreak of war. When the cases were brought before the petty sessional court a few days later, 'the justices called the defendants into court, and without hearing any evidence, dismissed all the cases, stating that they did so owing to the national state of affairs'.¹ On August 31, three days after the Prime Minister's statement in the House of Commons, the Secretary of the Midland Farmers' Association communicated with the Leicestershire Education Authority expressing 'sympathy with the proposal' to use boys and asking whether the authority would 'consent to such employment'. The movement among the farmers began early, and grew in strength as time went on. One farmers' club after another, backed by the National Farmers' Union and its organ the *Mark Lane Express*, passed resolutions in favour of the exemption of school children at twelve and in many cases at an earlier age. At the meeting of the Central and Associated Chambers of Agriculture held on February 23, 1915, though many matters were discussed, 'boy labour occupied the largest share in the discussion' according to the agricultural correspondent of the *Yorkshire Post*.² The strength of the agitation may be gauged from Mr. Peto's question in the House of Commons on February 4, asking whether the President of the Board of Education 'would take steps to secure the exemption from school attendance during the currency of the war in all rural areas of *all* boys over the age of twelve who could show that they can obtain agricultural employment'. It is not doing the farmers an injustice to say that they flew to the possibility of utilizing the labour of

¹ *Correspondence relating to School Attendance between the Board of Education and certain Local Education Authorities since the Outbreak of War.* Cd. 7803, 1915, p. 6.

² *Yorkshire Post*, Agricultural Notes, February 27, 1915.

school children at an earlier age than usual. Not all farmers are like the Chairman of the Castleton (near Whitby) Farmers' Protection Association, who said that 'it behoved them to farm their best, and to get more out of the land than they had done. To do that they must have skilled labour, and not schoolboys'.¹ At the same meeting another farmer gave it as his opinion that 'boys were being over-educated' and that 'to prohibit the employment of scholars on the land was taking away from farmers the supply of labour at its source'.² The columns of the *Mark Lane Express* have contained a large number of reports of speeches made at farmers' clubs and elsewhere exhibiting a barely concealed dislike of education and a narrow zeal in favour of the exemption of school children. It has even been suggested that town boys might be used, a Manchester alderman having thought of the idea of employing boys at school in their *spare time* in agricultural work!³ Mr. Prothero said in the House of Commons: 'I for one deny that in making this appeal for the use of children at an exceptional crisis there is any attempt on the part of the farmers to stop the progress of education in the country . . . whatever the farmer thought twenty years ago he is now in favour of education.'⁴ Most people will readily agree that amongst those interested in farming there are many who are fully alive to the importance of education. On the other hand, many speeches have been delivered which show that there is still a strong body of opinion amongst farmers that boys are being 'over-educated', and it is to be feared that some see in the present crisis a possible means of holding up educational progress and incidentally also of maintaining a supply of ill-paid labour.⁵ In the meantime, one county education authority after another has relaxed its regulations governing school

¹ *Yorkshire Post*, March 8, 1915.

³ *Daily Citizen*, March 17, 1915.

² *Ibid.*

⁴ March 13, 1915.

⁵ The view of many farmers that the education given in the schools is unsuitable opens up too large a subject to be dealt with here.

attendance, in many cases attaching safeguards to the employment of children in agriculture.¹ In some cases, e.g. Essex, the period of employment is stated, and maximum hours and a minimum wage laid down.

The farmer has his own point of view. His opinion of the existing school system is not a high one, and to him, therefore, as things stand, it is not a serious matter to deprive children of some of their schooling. Further, the school children provided a supply of labour on the spot, and even farmers who do not look kindly upon the use of juvenile workers were unable to denounce it under the special circumstances. As is generally known, the serious deficiency of cottages has been an important factor contributing to the shortage of agricultural labour; the war, however, has aggravated the difficulty. Many of the agricultural labourers who have joined the army, either as reservists or new recruits, are married men with families, and consequently cottages, attached to farms, intended for the labourers, are occupied by a woman and her family living on a separation allowance. These people will not voluntarily migrate to the towns during the period of the war, and few farmers will turn them out of their cottages. They present a serious difficulty by reducing still further the available housing accommodation for the agricultural workers. The boys, however, are already there; no question of special accommodation arises. It is, therefore, perhaps not to be wondered at that farmers clamoured for boy labour.

¹ The numbers exempted were stated in Mr. Asquith's speech in Parliament on March 4, 1915: 'We have received returns from two-thirds of the counties of England and Wales, and these returns deal with the period between September 1 of last year and January 3 of the present year, and they show that in these county areas . . . 1,152 boys and 42 girls have been allowed to leave school, making a total of 1,194, for agricultural employment. Of the boys, 34 are between 11 and 12, 763 between 12 and 13, and 354 between 13 and 14. All the girls are between 13 and 14. . . . The figures . . . show that there has been a substantial recourse to child labour.' Asked whether there had been any contravention of the by-laws, the Prime Minister evaded the question.

We have seen that the farmers began to cry out for the labour of school children before their need became urgent, and as the *first* alternative to the labour of those who had enlisted. Since the commencement of the war many ways of minimizing the shortage due to enlistment have been suggested. One of the first was that the farmers should endeavour to attract adult labour by the offer of higher wages. It is generally recognized that agricultural wages are low; and no amount of insistence on perquisites, &c., can alter the fact. It may be true, as Mr. Prothero pointed out in the House of Commons¹ that 'since 1896 there has been a continuous rise', but even then wages remain low. It has been asserted that to offer higher wages would achieve little, though even the farmers themselves are not unanimous on the question. A speaker at a meeting of the Cleveland Chamber of Commerce said that 'farm labourers in his neighbourhood were going on to railway construction work, because they would be getting 7*d.* an hour. It was for the farmers who employed them to consider whether wages ought not to be increased in order to keep the men on the land to fill the places of those who had gone. He could not think of any more likely way of meeting the present deficiency'.² The agriculturists do not appear to have realized the necessity not merely for paying somewhat higher wages, but for paying *considerably* higher wages. Last November 'in north-east Banffshire and in Aberdeenshire there was some shortage, but at several of the hiring markets in Aberdeenshire farmers preferred to go without skilled men rather than pay the high wages asked'.³ Since then rises have been recorded in many parts of the country, chiefly amounting to 1*s.* or 2*s.* a week, though in Yorkshire it was as much as 3*s.* This, of course, will not in itself get over the growing difficulty of the farmers, but it is worth bearing in mind Mr. Pease's statement that 'where wages

¹ March 13, 1915.

³ *Labour Gazette*, December 1914, p. 451.

² *Yorkshire Post*, February 17, 1915.

had been highest there had been shown no tendency on the part of farmers to demand the help of the children, but where cheap labour was required the children were withdrawn'.¹ It cannot be doubted that among a large number of farmers there is a great deal of uneasiness regarding high wages for agricultural labourers. Some have realized the economy of adequate wages, but the majority, clinging to their prejudices, refuse to understand that in a time of crisis the old standards must go, especially in view of the fact that farm labourers, by general acceptance, have come to be considered as skilled workers. In any case, the community is right in asking that higher wages should be fairly tried before the farmers are allowed to resort to school children.²

The question of alternative sources of labour should also be considered. It is clear that for the many kinds of skilled work odds and ends of unemployed workers are useless. The suggestion has been made that more use might be made of women in agriculture. It is true, of course, that for some kinds of work they are not suitable; but much that is now performed by males could equally well be carried out by females. In the United Kingdom as a whole there are, roughly, rather over two million males employed in all kinds of agricultural pursuits, and about 188,000 females. For every 100 males described as 'farmers, graziers, and farm workers' there are 9 women so described (in Scotland there are 20). In England and Wales there is a great difference in the proportion of women employed in different areas, accounted for perhaps by special circumstances to some extent, but attributable also largely to custom. For example, in the adminis-

¹ February 7, 1915. Reply to a deputation on child labour in rural districts.

² A distinguished agricultural writer, in a series of articles in *The Times* on 'Labour for the Land' (April 12, 13, and 14, 1915), says, 'It is an unpalatable topic, but the best service one can render the farmer at the present time is to persuade him that only an immediate and substantial rise of wages will keep his active men on the land at all.'

trative counties of Cambridgeshire,¹ Hertfordshire, Bedfordshire, Essex, Oxfordshire,² Berkshire, and the Soke of Peterborough,³ for every 100 males enumerated in the Census returns as farmers, graziers, and farm workers there are between two and three females. In Durham and Cumberland, on the other hand, there are 20, in Westmorland 22, whilst in Cardiganshire the number of females per 100 males rises to 33 and in Carmarthenshire to 36.5.⁴

The Board of Trade appealed, in March 1915, for women 'to take employment of any kind, industrial, agricultural, clerical, &c.' Schemes are being put in hand for increasing the number of trained women for agricultural work. How much this will accomplish one cannot say; the chief hope in this direction appears to lie in the women who have been brought up in agricultural surroundings. Their employment will undoubtedly raise many questions concerning their pay and conditions as compared with those of men, but this will merely accentuate a problem which has already been raised in other industries.⁵ By the

¹ Cambridgeshire County Council on November 7 passed a resolution asking that the local authority should be empowered 'to grant leave of absence to lads of serviceable age' (Cd. 7803, p. 3).

² Education Committee on October 19 agreed, if approved by Board of Education, to exempt children over 13 (ibid. p. 12).

³ Education Committee communicated with the Board of Education on August 31 regarding the Prime Minister's statement on August 28.

⁴ These figures are calculated from *The Census of England and Wales*, 1911, vol. x, Occupations and Industries, pt. ii. Cd. 7019. The number of females for every 100 males employed varies very much from industry to industry. It is very high in the textile manufactures, where there are 160 females per 100 males. In England and Wales in 1911 there were over 168,000 married women and widows working in textile manufacturing industries.

⁵ Replying to a circular from the Council for the Agricultural Education of Women, the Yorkshire Agricultural Union stated that 'in parts of Yorkshire, where potatoes, peas, and market garden produce are grown, and in the dairying districts, a certain amount of female labour is employed; *the supply of women for such work is not adequate in normal times*. As additional farming operations, women might be employed in turnip-hoeing and in corn harvest, but the Chamber did not think the women would be willing to undertake such work. The wages earned by women in normal times is from 2s. to 2s. 6d. per day of seven hours. For the additional work proposed the farmers would pay by piece-work,

beginning of April over 33,000 women had registered themselves on the Special Register of Women for War Service. Of these 1,700 had registered as 'milkmaids and dairy workers', 500 as gardeners, and a further 2,000 applicants are classified under the heading, 'other agricultural workers'. We are told that 'most of those registered are working women of previous experience, though not necessarily in the occupation for which they profess a preference. There are some experienced women available for nearly all classes of occupations. Thus, 1,500 of the applicants state that they have had previous experience in agriculture'.¹

Further, without calling upon obviously unsuitable people to take up farm work, there is a large number of male workers who are familiar to some extent, at any rate, with various agricultural processes, and in all likelihood have been brought up on the land. Coachmen and grooms, and domestic gardeners, might supply the farmer with some needed labour. Recently, also, attention has been drawn to the large number of men employed at racing stables at Newmarket and elsewhere. In rural areas, country-bred people are carrying on miscellaneous kinds of employment, for which there is perhaps not an imperative need at the present time. It is not suggested that all, or even a very large proportion of them, are available for agricultural work. Many have enlisted; some may be of little value for farming work; others will have no desire to return to such work. But even then there must be a considerable number who have had some agricultural experience, whose services might be obtained by the farmer if sufficient wages were forthcoming.

and the women would probably earn 3s. a day. In the opinion of the members no special course of instruction would be required, as the women could learn the work on the farms, and be earning money at the same time' (*Yorkshire Post*, April 16, 1915). The statement is interesting as showing the existing shortage *even amongst women* who are unaffected by enlistment, the rate of wages paid, and the extent to which the farmers consider training to be necessary.

¹ Mr. Runciman at the conference between the Board of Trade and women's organizations, April 13, 1915.

It has been pointed out that there are numbers of Belgian refugees who are agriculturists. Many have already been employed; some apparently with satisfactory results, though here and there a grumble has been heard from the farmers who, it may be, don't hold foreigners of much account anyway. Repeatedly the Government has urged, as the first need, the utilization to the full of the Labour Exchange system in order that the demand for labour could be fairly accurately measured. The Board of Agriculture has suggested for this purpose the formation of county committees representing the farmers and the Labour Exchanges.¹ Sir Harry Verney, Parliamentary Secretary to the Board of Agriculture, has suggested other possible means of filling up the ranks of agricultural labour. 'There is the possibility, if it was thought desirable, of tapping Belgian, Dutch, or Danish labour. There is the question of the possibility of anything in the way of Irish labour—not of increasing the number of Irish labourers, because that would be against the policy of my hon. friends below the gangway, but perhaps of bringing over those who would naturally come a few weeks earlier than they would otherwise have come. There is the possibility of getting boys over fourteen years of age from reformatory schools who might be willing and anxious to do work on the land. What I would put to the House is that though these suggestions may individually not be worth much, on the other hand, it may be that something will come out of them—the boys from reformatory schools, Irish labourers, the Belgian or Dutch or Danish labourers, labour from the brickworks and from the town.'² Taking these various suggestions, and making every allowance for enlistment, unsuitability, and special circumstances, there must still remain a considerable reserve of labour possible for employment in agriculture.

¹ The proposals made to the Central and Associated Chambers of Agriculture will be found in full in the *School Government Chronicle*, February 27, 1915, p. 151.

² House of Commons.

These are not the only suggestions which have been put forward for dealing with the deficiency of labour. The employment on light work of invalided soldiers has been proposed; it has been urged that the workhouses could supply some useful labourers at any rate. It has even been proposed to press into service prisoners of war. The military authorities in Germany have officially announced that they are prepared to provide prisoners of war in large numbers for agricultural employment.¹ The difficulties in the way of such a step being taken in this country rule it out of consideration. Lastly, the organization of corps of volunteers for seasonal work has been suggested. There appears to be no single supply of reserve labour; but the use of whatever alternatives are possible would in the aggregate yield a large number of possible farm workers of both sexes.

What is the deficit of labour likely to be? 'Returns from a number of farmers throughout England and Wales show that the number of male persons in regular employment at the end of January 1915 was 12·4 per cent. less than in January 1914. As 15·6 per cent. of the persons employed a year ago have joined the naval or military forces, it is evident that farmers have been able to fill the places of one in five of those who have joined. These men have been replaced from the ranks of the casuals or from among those who get fairly continuous work in the summer, but are unemployed or do other than agricultural work in winter.'² Now the number of men in continuous employment appears to be normally about 4 per cent. larger in the summer than in winter. In addition to making good the contraction of 12·4 per cent., therefore, a further 4 per cent. of regular hands will be required if the number of workers engaged is to be brought up to the normal. 'There would also be required something

¹ See *The Times*, March 8 and 18, 1915. The Yorkshire Farmers' Union have urged that the Government should utilize German prisoners in agriculture (*Yorkshire Post* and *Manchester Guardian*, April 12, 1915).

² Cd. 7850, p. 11.

like a four-fold increase in the present number of casual labourers. In other words, it may be estimated that unless the farms are to work short-handed, or means can be found to economize labour, some 80,000 additional permanent male labourers, and 90,000 casuals, will be required in the summer (June).'¹ Whether the reserve indicated above will be sufficient for these purposes depends on a variety of factors, but if they were utilized the actual shortage would certainly be nothing like the estimated shortage, even if it existed at all.

But there are possible ways of economizing labour along two lines. In the first place the existing labour supply might be made more efficient by the use of labour-saving machinery, used perhaps co-operatively. It is a pity that the Agricultural Organization Society has not received the welcome it deserves in this country.

'As to labour-saving machinery,' says Mr. Orwin, 'the farmer is frequently debarred from using it by the costliness of those things which will displace manual- and horse-labour on any scale. It is accordingly of particular interest to note that a group of men in the Isle of Wight have combined under the pressure of circumstances to purchase and own machinery and implements in common. With the assistance of the Agricultural Organization Society, the "Isle of Wight Farmers' Agricultural Outfit Society, Ltd.," has been registered, and it began operations about Christmas-time by hiring out a steam-plough to its members. Here is a form of co-operative enterprise which might spread rapidly into other districts. Internal-combustion engines in the form of motor tractors have been in use for several years; but whilst nothing like so costly as a steam-ploughing set, their price is very considerable, and there are other considerations besides price, for example, their weight—which makes them unsuitable on very many farms. But recently there has been put upon the market a little agricultural motor for ploughing, cultivating, and other farm work, at a price considerably below that of a team of good horses. It can plough more acres and it can work longer hours than horse-labour can do, thus speeding up the work to an extent which would be worth untold sums to the farmers of this country in "catchy" weather. In other directions there is a great variety of labour-

¹ Cd. 7850, p. 12.

saving appliances by no means costly, but nevertheless seldom met with. The scarcity of milkers is universally deplored, yet even in the great dairying districts milking machines are almost unknown, whilst such things as potato diggers, shearing machines, and even manure distributors are much too rare.’¹

Mr. Orwin believes that the war may ‘give a great and much-needed stimulus to the further industrializing of British agriculture’.² So long as there are methods of saving labour and means of using machinery co-operatively still untried, the farmers have little cause for the use of immature labourers. It seems then that not only are there possible sources of labour still available, but there are great possibilities in the way of the further use of machinery which is both reasonable in cost and efficient in use, against the use of which there is nothing but the prejudice of the farmer and perhaps the dilatoriness of the Government.³ *‘With machinery there are even now enough men in the country to maintain agriculture at its pre-war level of production.’*⁴

A little saving at any rate may be effected by neglecting certain kinds of work or by modifying the crops cultivated to suit the new circumstances. ‘In many cases,’ we are told, ‘unessential work, such as clipping hedges, is being left undone. . . . In Essex, it is stated, corn is being grown instead of roots, as the latter require much labour, while the final operations of the former can be carried out by machinery. . . . In Kent, it is stated that hops are being grubbed up, partly because they require so much labour in the later stages, and partly because it is thought that the beer tax will curtail the demand for hops.’⁵ These economies, if they are at all common, will have their effect

¹ *The Farmer in War Time*, pp. 17–18.

² *Ibid.* p. 20.

³ ‘In Norfolk it is said that farmers are pressing further than ever the use of machinery in various ways.’ Cd. 7850, p. 12.

⁴ *The Times*, April 13, 1915. The article on ‘Machinery’ in the series on ‘Labour for the Land’ is well worth reading.

⁵ Cd. 7850, p. 12.

on the total demand for labour, and will swell the influences which might ease the situation.

There is still another aspect of the question to be considered. Much has been said and written about the necessity of maintaining the production of home-grown food and even of increasing it. How much of the food consumed in this country is produced at home? To what extent will the production of home-grown food be diminished owing to the enlistment of agricultural labourers? Roughly, one-fifth of the wheat consumed in this country is produced at home in ordinary years. Mr. R. H. Rew recently estimated that 'so far as bread is concerned there is at the present time sufficient wheat and flour in the country to supply the whole population, at its normal rate of consumption, for about four and a half months.'¹ Bread may, however, be made from other cereals than wheat, e. g. barley and oats. Taking these into account, it is 'a very conservative statement to say that for a year there would be, if supplies were properly distributed, no reason why any one should go short of daily bread, even if nothing reached our shores.'² This is supposing that the British Isles were blockaded so that no single ship could get through. Quite apart from the supremacy of the British Navy, which may be assumed—for failing that, the question of food supplies and the employment of children would become matters of little moment—'it is inconceivable that the long coast line of the British Isles, with its countless harbours and creeks, could be guarded so that many enterprising ships, stimulated by the certainty of big gains, would not succeed in landing supplies'.³ Although if hard pressed we could make our bread supply last for a year, there is no need for us to anticipate such an event. Supplies of food are still coming to our shores, as the following table shows :

¹ *Food Supplies in War Time*, by R. H. Rew (Oxford Pamphlets), p. 14.

² *Ibid.* p. 15.

³ *Ibid.* p. 15.

IMPORTS ¹

	Wheat (100,000 cwt.s.)		Wheat flour (10,000 cwt.s.)	
	1913	1914	1913	1914
January-July	632	568	660	603
August	101	103	79	65
September	89	126	121	61
October	80	88	123	84
November	78	77	104	90
December	79	77	111	104
Yearly totals	1,059	1,039	1,198	1,006
Since July	427	471	538	404

In addition, our home harvest last year (1914) was officially estimated at 62,500,000 bushels, as compared with 56,700,000 in 1913. Unless the unexpected happens, we shall continue to get a share of the world's wheat, although the Russian supply has been withheld.² According to the statement of the International Institute of Agriculture at Rome, the world's production of wheat for 1914-15 amounted to 1,004 million quintals, equivalent to 107·7 per cent. of the average production for the last ten years.³ Further, 'in countries in the Northern Hemisphere for which there are data relating to winter cereals an increase is generally reported in the areas sown compared with last year, especially in India and the United States, which show increases of 22 per cent. and 11 per cent. respectively. Regarding crop conditions, although the season has been exceptionally wet in many countries, no damage of notable importance is complained of as a rule at present.'⁴ There

¹ Abstracted from *The Effect of the War on the External Trade of the United Kingdom*, by A. L. Bowley (Cambridge University Press, 1915), in which details are given regarding the imports of other foodstuffs.

² Russia supplies about 10 per cent. of our needs on the average. The average for the five years 1907-11 was 11·6 per cent.

³ *The Times*, March 26, 1915.

⁴ Information supplied by the International Agricultural Institute to the Board of Agriculture and Fisheries. See *The Times*, February 27, 1915.

seems little danger of a serious shortage in the wheat supply of this country.

As Mr. Rew says, 'the nation has been too long obsessed by the wheat question'.¹ Man does not live by bread alone; other foods must be taken into account. It is impossible to estimate at all accurately what proportion of our total food supply is raised at home. Including not only the food produced by the farmers and market gardeners, but that raised on small allotments, and in private gardens for home consumption, this country produces probably about half the food it eats, excluding tobacco and alcoholic liquors, or to put it more accurately, half the money we spend on food—animal and vegetable—is spent on home-grown produce.²

Though the supply of fish is likely to continue to be short, and though we shall not receive sugar from Germany and Austria during the war, the remainder of our food-stuffs will still be imported. Meat, butter, cheese, eggs, fish, &c. continue to arrive, some of course in somewhat restricted quantities. At home efforts have been made, apparently with some success in spite of the labour difficulty, to utilize the land more fully and to increase supplies. The Board of Agriculture and Fisheries estimates that the total area under wheat is 'about 10 per cent. larger than last year'.³ In Yorkshire alone it is said that there are this year 13,000 acres more under wheat,⁴ and although 'in some cases it is actually stated that land is going out of cultivation altogether for want of labour',⁵ there is little reason to believe that this obtains on anything like a large scale. On the other hand, the Board of Agriculture is stimulating schemes for adding to our food supplies by cultivating allotments. Taking everything into considera-

¹ *Food Supplies in War Time*, p. 17.

² See 'The Nation's Food Supply', by R. H. Rew, C.B., in the *Journal of the Royal Statistical Society* for December 1912, pp. 98–105, and also *An Agricultural Faggot*, by the same author (P. S. King and Son, 1913).

³ Report for April 1915.

⁴ *Yorkshire Evening Post*, March 5, 1915.

⁵ Cd. 7850, p. 12.

tion, it is unlikely that the amount of food growing or likely to be grown is much less than usual.

But what effect is enlistment likely to have? Recruiting has not affected seriously the supply of labour employed in every kind of food production; but let us assume that it has. Further, let us assume, what is not true, that no labourers have taken the places of those who have gone on active service, and that none will do. Of those employed in agriculture in January 1914, 15·6 per cent. are said to have joined the forces by January 1915. In some places May hirings are the rule rather than winter hirings, and there we may expect further enlistments when the men have finished their year. Suppose then that by the time summer arrives there is a shortage of 20 per cent. If the production is proportionate to the number of people employed, the country will find itself with only four-fifths of its home-produced food, which is half its total consumption. Our total allowance of food would, therefore, be reduced by a tenth, that is to say, we should be short by about a five weeks' supply over a whole year. Is there any reason to believe that this country would be seriously inconvenienced by having to make food for forty-seven weeks last for fifty-two weeks? With the elimination of even half the present waste of food, with more economical cookery, &c.,¹ people would be little the worse. But it would not be impossible, unless we were defeated on the seas, in which case, as I have already pointed out, the question would sink into insignificance, to buy food from abroad—it may be at rather higher prices—to make good the shortage. But supplies of labour can be, and are being found to take the places of those who have enlisted; machinery can be, and is being used more than formerly; foods requiring less labour can be, and are being grown instead of those requiring much labour for their production; the people who are left may work harder than before, and

¹ See *The Lancet* for February 20, 1915, summarizing the German inquiry into the food supply.

the whole of the 20 per cent. of workers on active service did not all go at once, and many of them have put in much useful work before they went. It is, therefore, not within the range of the remotest possibility that we should be without the five weeks' supply referred to above. It cannot be said that there is any serious prospect of anything approaching a food famine. What then becomes of the imperative need which has been expressed for the labour of children of twelve and even eleven years of age and younger ?

We have seen that the Prime Minister in the early days of the war raised the hopes of the farmers. By means of questions in the House of Commons, and by letters to the Board of Education, the latter and the Board of Agriculture and Fisheries have been compelled to state their views ; so that little by little we have been able to obtain some idea of the attitude of the Government on the question. From the correspondence which has been published,¹ we may piece together the case of the Board of Education as follows :

1. It has ' no power to override the general law ' ² of the land with regard to school attendance, but it indicates the way in which local education authorities may, if not override, at least evade the law. ' A local education authority is under no obligation to take proceedings in respect of the non-attendance of a child at school if they are satisfied that there is a reasonable excuse for non-attendance.' ³ It is implied in the correspondence that employment in agriculture because men have enlisted is ' a reasonable excuse '.

2. Local authorities have suggested that absence from school for purposes of agricultural employment should be counted as school attendances for grant-earning purposes ! This the Board of Education has refused to do.

¹ *Correspondence relating to School Attendance between the Board of Education and certain Local Education Authorities, since the Outbreak of War.* Cd. 7803., 1915. See also article on ' Child Labour and the War ' in the Blue Book Supplement of *The New Statesman*, April 17, 1915.

² Cd. 7803, pp. 7, 11.

³ Cd. 7803, pp. 3, 7, 8, 11, and 18.

3. Where exemption is granted before children are legally exempt from school attendance, such exemption should be 'limited to individual cases'.¹ 'Before deciding not to enforce attendance in a particular case...the Authority should satisfy themselves... that the child selected for employment is a child who can be permitted to leave school with the least possible prejudice to his educational interests.'²

4. It is pointed out that many education authorities have by-laws which allow of partial exemption for agricultural employment at the age of eleven, that in many places total exemption can be obtained at the age of twelve or thirteen, on the fulfilment of certain conditions depending upon the standard of attainment and a prescribed number of attendances at school during a given period,³ and that a relaxation of the by-laws 'should not be a relaxation in favour of those children whose attendance has been most irregular, and whose education in the past has consequently been most interrupted'.⁴

5. It is suggested that application for suitable labour should be made through the Labour Exchanges,⁵ that the supply of suitable adults should be first exhausted,⁶ and that the fullest use should be made of children already exempted from school attendance.⁷

6. 'The Board think that, in the general interest of the nation, it is of the greatest importance that the public education of the country should be continued without interruption and with undiminished efficiency.'⁸ Another local authority was informed that it is 'of great importance in the interests of the children that the normal course of education should be interrupted as little as possible, and only in cases of real and urgent necessity'.⁹ The most important statement, however, is to be found in a letter to the Derbyshire Education Committee: 'I am to point

¹ Pp. 3, 5, 14, and 18.

P. 5.

³ Pp. 4, 7, 12-13, 13-14.

⁴ Pp. 13 and 14.

⁵ Pp. 3 and 14.

⁶ P. 5.

⁷ Pp. 7 and 11.

⁸ Pp. 6-7.

⁹ P. 19.

out that the only reason alleged in Mr. Brown's letter for an alteration in the by-laws is that there exists "in some places a dearth of farm labour and that the services of boys of twelve would be very useful. *It appears to the Board that this is a proposition that might have been, and probably was, true on many occasions before the war, and it does not appear to afford any sufficient justification for a proposal to interrupt the education of children at the age of twelve who have not even passed the fifth standard.*"¹

In addition to the foregoing statements the Board of Education has indicated other conditions which should be fulfilled before allowing exemption. 'The employment should be of light character and suitable to the capacity of the child' and 'permission, if given at all, should be given for a definitely limited period only'.² So far as the former is concerned there is no suggestion made for enforcing this condition, and the Government has not even seriously considered, much less accepted, the suggestion that there should be a special medical examination of all children leaving school for agricultural employment in order to ensure that they were physically fit for such labour.³ The Prime Minister dealt with the question in his speech in the House of Commons on March 4:

'I do not think we ought to be bound in a great national emergency like this by any pedantic regard for rules and conventions and usages which have prevailed, and rightly prevailed, when circumstances were normal. . . . I do not think we ought to rule out any special demand, as beyond the pale of political or statesmanlike consideration, for the employment of boy labour. It is question of degree and of relative expediency as to the extent to which we ought to resort to one or other of these means in the way of supplying our needs. . . . If child labour is to be resorted

¹ P. 5.

² Circular 898 Board of Education. See also Mr. Pease's statement in the House of Commons on February 25, 1915.

³ Question by Sir William Byles in the House of Commons, February 11, 1915. See also question asked by Mr. J. King, February 15, 1915. Mr. Pease's attempt to make Sir William Byles look foolish by dragging in the question of the employment of school children out of school hours in the latter's constituency was ridiculous.

to, I think it ought to be resorted to in a national emergency, subject to the conditions clearly laid down by my right hon. friend the President of the Board of Education a week or two ago. . . . If these conditions are observed—and I think they are fundamental and absolutely essential—I may repeat what I said six months ago, that the Government are not going to interpose on the discretion of the local education authorities anything in the nature of a veto. . . . I should be very sorry if the idea were to go forth that there is going to be anything like a large resort to child labour in agriculture. It is an emergency thing, an exceptional thing, a thing which ought to be circumscribed in every possible way, and ought never to be resorted to unless the local authorities are satisfied that neither by the operation of the Labour Exchanges, nor by the increased employment of female labour, the gap can be made good.’

The Government appears to have been torn in two. On the one hand there is the desire to be true to education expressed in Mr. Pease’s letter ‘To my Colleagues in the National Service of Education’:

‘We are trustees for posterity. We guard the lines of communication between the present and the future. In the educational system for which I speak, there are more than seven millions of pupils and students, most of them of tender age—an army comparable in numbers with the forces which now stand armed in the European conflict. These seven millions are the future England. . . . It is to them that we shall hand over the national and international policy which emerges from the present struggle . . . demanding of all its members larger faculties, more highly trained aptitudes, a clearer realization of the common duty and destiny of men. Let us see to it that these seven millions, and those who follow them in the linked generations of school life, come to their task well equipped. . . . At least let us be able in after years to tell them that we did our best; that in the hours of national stress and strain, faced by dangers without and anxiety within, we neither lost hope nor surrendered our trust.’

On the other hand, there is the so-called ‘practical’ point of view, the short-sighted attitude, which judges the question as one of ‘relative expediency’ as to which we shall use to supply our needs—women or children. By admitting the possibility of using children in agriculture (on August 28) before the community had clearly ascertained its needs and the chances of supplying them from

other sources, we proved that we were not bound 'by any pedantic regard for rules and conventions and usages which have prevailed when circumstances were normal'; but it has debarred us from saying that 'we neither lost hope nor surrendered our trust', for we did both.

What is the case for the children? In the first place the State has gradually built up, in its industrial and educational laws, certain regulations necessary to the welfare of the children and the State. Their infringement inflicts an injury on children. The people of this country believe that attendance at school until a certain age or educational standard is reached is essential in the interests of both the child and the community. Speaking of the code of law protecting children, a writer has said, 'these laws, or rather the ideas behind them, slowly evolved during the nineteenth century, have been woven into the texture of our social life. The legislation of a country is the crystallized expression of its social and moral standards. Any weakening of these standards implies that in the judgement of the State, the national need is so great, the emergency so critical, that it must needs inflict injury upon its children.'¹ To weaken the standards, and later to suggest safeguards, does not make the position any better. There is no need for safeguards if early employment is not harmful. If the suggested conditions totally overcome the evil, why has the State higher standards in normal times? The gravity with which the Prime Minister spoke of the proposal to relax school attendance by-laws, shows how seriously the Government regarded the relaxation. It is clear, therefore, that the Government believe that it is necessary to allow children to pay part—and a heavy part—of the price of the war. Now, it is suggested that there is no proof that the need is so imperative as to demand such a step. There are other ways to be tried; and if these fail, the community has surely the right to

¹ See leading article on 'Principles in time of crisis' in *The Times Educational Supplement*, March 1915.

make up its mind deliberately whether it will eat into the standards of child life or whether it will tighten its belt, do with less food, and possibly have to face the question of rebuilding our agricultural system, 'on the ground that it is more advantageous to have to rehabilitate an industry than a section of society'.¹

The question is not one of the expediency of using different sorts of labour. It is a question as to whether the community should sacrifice its 'social and spiritual achievements' or sacrifice material wealth and comfort. 'The standard of child life is a spiritual achievement. It is at once a page in the history of our social development and the expression, however imperfect, inadequate, and stunted, of an ideal to be bequeathed to posterity as a starting-point for the fuller and higher realization of the national purpose. No man willingly lives upon his capital, and the child population of a country, together with its social and spiritual heritage, is a nation's only capital. Wealth may be re-created; luxury, comfort, and pleasure may be regained when times of plenty return; but an injury to child life is irreparable.'² It is not merely that those children who are employed in agriculture will be robbed of something they should have received, or that the example may lead to a demand for the use of children in manufacturing industry, especially now that there is a great need for all kinds of munitions of war, though that may be serious enough—it is that the re-establishment of the old standards will take time, and there will not be wanting those who will attempt to prove the great advantages of a system of little education and much labour; and to that extent educational progress all the way through the twentieth century will be dragging behind what it would otherwise have achieved. This price is too high to pay for the use of children in an industry for whose services there has not been proved to be a vital need.

ARTHUR GREENWOOD.

¹ See leading article on 'Principles in time of crisis' in *The Times Educational Supplement*, March 1915.

² *Ibid.*

THE UNITED KINGDOM
PARLIAMENT—THE SESSION OF 1914-15
FEBRUARY 2 TO MARCH 16, 1915

NOTE.—The references enclosed in square brackets are to the bound volumes of the *Parliamentary Debates*, the remainder to the unbound daily numbers.

THERE are some who would like to see Parliament in constant session so long as the war continues. They accept of necessity the fact of a dictatorship, but they are anxious to keep up an appearance of parliamentary control. Since the war began the House of Commons has been in session for three distinct periods. In the first period it acted and asked no questions; in the second it acted with a semblance of due deliberation; in the third action receded into the background and mere talk took its place. To some extent the change is due to the character of the business accruing at the passing of the financial year. Votes on Account, Consolidated Fund Bills, and the first days in Committee of Supply provide ample opportunities for speech-making at large. But the change cannot be explained wholly on that ground. One result of the political truce has been the release of bores and busybodies from the bondage of the Whips. Rejoicing in unwonted liberty, they hold high holiday and call it patriotism. Those who demand a continuous session can hardly have spent many after-dinner hours in the House. The spectacle of four members waiting amid a wilderness of empty benches to pour their remorseless eloquence into the ears of a careworn Under-Secretary is not calculated to inspire confidence in the utility of Parliament at the present moment. When the House takes no interest in its own proceedings, there is little hope that the Government

will be influenced or the country enlightened. A dictatorship is a formidable, perhaps a dangerous, but at least a respectable, institution. A dictatorship tempered by garrulity becomes merely ridiculous. The exhaustion of Under-Secretaries is not an end in itself nor does it assist in a successful prosecution of the war.

The dismal nature of the ordinary proceedings provides a complete justification for the action of the Government with regard to private members. It was rightly felt that this was no time for the discussion of abstract resolutions or of amateur legislation. Consequently the Government at the earliest possible moment proposed a resolution taking the whole time of the House until further notice. This drastic proceeding was accepted almost as a matter of course and with remarkably few murmurings.¹ But it deserves to be noticed as a prominent landmark in parliamentary history. For though the so-called 'parliamentary initiative' has often fallen into practical desuetude, this is probably the first occasion in the history of any Parliament on which it has been formally surrendered for an indefinite period.

FINANCE

A large proportion of the sittings were devoted nominally to finance or at all events to Supply, but the House had been sitting for nearly a month before it was asked to make definite provision for the war. Before that, however, it had been made clear that a war of the present magnitude must be conducted on a system of blank cheques. It was not of course to be expected that the *régime* of votes of credit could be suspended or terminated. The new phenomenon is that the votes of credit have swallowed up the peace estimates. In every previous war, including the Napoleonic wars, the votes of credit have represented roughly the difference between war expenditure and normal peace expenditure. For the year 1915-6 no such rough and

¹ 69 H. C. Deb. 40 [44] seq.

ready reckoning will be possible, since no attempt has been made to calculate a hypothetical peace expenditure. It was pointed out in a Treasury minute¹ and in an explanatory speech by Mr. Acland² that no real estimate of the cost of the Navy and Army could be framed unless it was known how long the war would last, and, further, that the publication of particular items of expenditure might reveal the nature and the magnitude of intended operations. A reproduction of the estimates for the previous year would not meet the case, since money voted for some of the non-effective services would not in fact be spent. Consequently it was decided in effect to dispense with Navy and Army estimates altogether, and to meet both normal and abnormal expenditure out of votes of credit. For form's sake 'token' estimates were presented, on the basis of £1,000 for each vote and £100 for each appropriation in aid.³ The only substantial part of these estimates was the vote for men, which in the case of the Army reached the unprecedented figure of 3,000,000, exclusive of Territorials. The result was curious, for almost in the same breath the House sanctioned this enormous force and allocated £1,000 for its pay.

On March 1 the Prime Minister asked the House for more money—£37,000,000 to complete the current financial year, and £250,000,000 for the first few months of the succeeding year. The supplementary vote of credit brought the total sums voted since the beginning of August up to £362,000,000, and that figure may be taken to represent the cost of the war up to March 31 last. The £250,000,000 for the new financial year includes for all practical purposes the peace expenditure on the fighting services.⁴ The Prime Minister estimated the gross average expenditure on the war at £1,500,000 a day. A proportion of that amount is recoverable, since it is invested in loans to the Dominions and the lesser belligerents, or in the

¹ Cd. 7790.

³ H. C. 104, 105.

² 69 H. C. Deb. 273 [277] seq.

⁴ 70 H. C. Deb. 582-3.

purchase of commodities for resale. But after all deductions had been made the cost in March was not less than £1,200,000 a day. Expenditure, moreover, was increasing, and the Prime Minister estimated that in April the daily cost would be about £1,700,000.¹ It is a big bill, but the House and the country will face it when the time comes without flinching.

At an earlier period of the session Mr. Lloyd George gave the House an account of the Paris conference between financial representatives of the three allied Powers, and incidentally he gave some further figures with regard to the cost of the war. For the year ending December 31, 1915, he estimated that the aggregate expenditure of the three Powers would be £2,000,000,000 and that Great Britain's share would be slightly the largest.² His main purpose, however, was to emphasize the necessity of financial co-operation between the Allies and to expound the methods by which that co-operation could be made effective.

An alliance in a great war to be effective means that each country must bring all its resources, whatever they are, into the common stock. An alliance of war cannot be conducted on limited liability principles.³

It was the business of the Paris conference to give content to this wide principle. Russia, owing to the restriction of her exports, was in most immediate need of assistance, and accordingly £50,000,000 was to be raised on her behalf in the Paris and London markets. At the same time she was given a guarantee that difficulties of finance need not prevent her from purchasing freely abroad.⁴ Great Britain was promised assistance from the Banks of France and Russia in the event of any undue depletion of her gold reserve.⁵ Finally a most necessary agreement was made to prevent the Allies from buying in competition with one another in neutral countries.⁶ The

¹ 70 H. C. Deb. 584.

² 69 H. C. Deb. 900 [910].

³ Ibid. 903 [913].

⁴ Ibid. 905-6 [915-16].

⁵ Ibid. 906-7 [916-17].

⁶ Ibid. 908 [918].

grandiose idea of a huge joint loan, Mr. Lloyd George said, had been discussed in Paris and definitely rejected.

It would have frightened every Bourse and attracted none ; it would have made the worst of every national credit and the best of none.¹

The principle, however, was retained in the case of advances to smaller States engaged, or about to be engaged, in the war.²

It was on this point that all the relevant discussion turned. Mr. Chamberlain admitted that a joint loan in these peculiar circumstances might possess moral and sentimental advantages ; but he argued that the objections which applied to a joint loan for general purposes were applicable also to this limited joint loan. The difference was only a difference of degree. He suggested as an alternative that Belgium should raise a loan for herself under the joint guarantee of the three Great Powers.³ Mr. Lloyd George urged in reply that the difference of degree was by no means an unimportant difference.

The degree counts here almost as much as the principle.⁴

The matter, however, had not been definitely settled. There was to be a further conference in London, and he promised that at that conference Mr. Chamberlain's suggestion should receive every consideration.⁵

Among the ventures in which the Government has become involved in consequence of the war, few have been less kindly treated than the scheme for rendering State aid to the aniline dye industry. On February 22 the Vote on Account provided an opportunity for a full discussion. Except in the speeches from the Treasury bench, hardly a good word was said for the scheme, and not the least severe of the critics were the Liberal textile manufacturers.⁶ Two points in particular were prominently to the fore.

¹ Ibid. 904 [914].

² Ibid.

³ 70 H. C. Deb. 190-2.

⁴ Ibid. 196.

⁵ Ibid.

⁶ 70 H. C. Deb. 67 seq.

The first was the inadequate provision made for research work.¹ The second was the need for security after the war.² This last point necessarily led to the raising of thorny and dangerous questions; but on the whole the relative merits of bounties and tariffs were quietly and amicably discussed. Here at least the House of Commons showed itself in an admirable light and proved that the war had effected a real abatement of passion and prejudice.

A second debate was initiated on March 11 in connexion with the prospectus of the new company. It turned largely on the relative veracity of the *Times* City Editor and of a firm of solicitors who replied to him. The members who spoke were disposed for the most part to support the strictures of the *Times*.³ Mr. Robertson replied on behalf of the Government. He asserted that the Government scheme was the most 'democratic' of those that had been outlined⁴ (whatever that may mean), and that in any case it was the only practicable plan before the country.⁵

THE NAVY

Mr. Churchill has appeared in many parts during his parliamentary career: but his present part perhaps is that which both suits and pleases him best. It is difficult to say whether his general statement on naval affairs on February 15 afforded most enjoyment to himself or to his audience. It was an eloquent panegyric of a great service, marred indeed by occasional bathos, but, taken as a whole, moving and stirring. It was not altogether his fault if it sounded occasionally like a panegyric of the First Lord of the Admiralty. He was unstinting in praise of others, and may be pardoned if he reserved a generous measure for himself.

His main theme was the comforting result of the two

¹ 70 H. C. Deb. 55, 76.

² Ibid. 60, 65, 107, 112, 118.

³ Ibid. 1621 seq.

⁴ Ibid. 1676.

⁵ Ibid. 1682.

naval battles of the Falkland Isles and the Dogger Bank.¹ But he was careful to remind the House that those victories were rendered possible by the invisible but overwhelming power of the Grand Fleet.

It must never be forgotten that the situation in every sea, even the most remote, is dominated and decided by the influence of Sir John Jellicoe's fleet—lost to view amid the northern mists, preserved by patience and seamanship in all its strength and efficiency, silent, unsleeping, and as yet unchallenged.²

The positive work of the Navy was as striking as the destruction of the German squadrons which had kept the sea. It was with just pride that Mr. Churchill referred to the work of the Admiralty Transport Department in moving 1,000,000 men across the oceans and the narrow seas without accident or loss of life.³ That is a vast achievement, and the House was not surprised to learn that at one period our naval resources had been strained almost to the utmost limit. The real significance of the battle of the Falkland Isles is to be found in the relaxation of that strain.⁴

Mr. Churchill's speech was delivered on February 15. On February 18 the German policy of a 'war area' was due to come into operation. It was natural that the speech should contain some reference to the new menace and inevitable that the reference should be vague. Mr. Churchill frankly warned the House that there would certainly be losses, especially at the outset.

On the other hand, the reply which we shall make will not perhaps be wholly ineffective.⁵

He hinted more or less transparently at stricter economic pressure upon the enemy.⁶

On March 1 the Prime Minister dealt fully with this new aspect of the naval war and explained the measures by

¹ 69 H. C. Deb. 912 [922] seq.

² Ibid. 914 [924].

³ Ibid. 915 [925].

⁴ Ibid. 920-1 [930-1].

⁵ Ibid. 927 [937].

⁶ Ibid. 927 [937] seq.

which the allied Governments proposed to meet it. He pointed out that the German policy could be described as a blockade only 'by a grotesque and puerile perversion of language.'¹ Further, it was avowedly incompatible with the laws of war regarding the capture of merchant ships.²

Her opponents are therefore driven to frame retaliatory measures in order in their turn to prevent commodities of any kind from reaching or leaving Germany. These measures will, however, be enforced by the British and French Governments without risk to neutral ships or to neutral or non-combatant life, and in strict observance of the dictates of humanity.³

In the same speech the Prime Minister alluded briefly to the operations at the Dardanelles. He was most anxious to repel any idea that these operations implied any slackening of effort in Flanders or any weakening of the Grand Fleet. He regarded them indeed as a practical proof of 'the copiousness and the variety' of our naval resources.⁴

Naval debates were comparatively brief and criticism was limited to two main topics. Mr. Bonar Law and Lord Charles Beresford were both anxious that the practice should be resumed of holding a court martial when one of His Majesty's ships is lost.⁵ Sir Robert Price, among others, was concerned at the use made of the merchant ships commandeered by the Admiralty.⁶ Mr. Churchill in anticipation and Dr. Macnamara in reply contented themselves with the all-sufficient plea of military necessity.

THE ARMY

It is strange to reflect that during a great war, when the British Army is greater in numbers and achievement than ever before in its history, the Army debates (and there were many Army debates of a kind) should have been

¹ 70 H. C. Deb. 589.

² Ibid. 590-1.

³ Ibid. 592.

⁴ Ibid. 588.

⁵ 69 H. C. Deb. 934 [944], 940 [950].

⁶ Ibid. 930 [940], 970 [980] seq.

unusually wearisome. Their dullness, however, was not due to any lack of interest in the Army, but to a lack of interest in what individual members had to say about the Army. Mr. Tennant's opening statement was set in an uninspiring key. He gave few facts and no figures. He paid indeed a warm tribute to the troops, but on the whole his statement differed from the usual general survey only in its vagueness and absence of detail.¹ Perhaps a more robust style on the part of the Under-Secretary might have kept the debate within reasonable limits. As it was, it dragged its weary length over three days and overflowed into every motion for the adjournment and every debatable stage of the Consolidated Fund Bill. If well-meant advice to the War Office could win the war, Berlin to-day would be in the occupation of the Allies.

Only two subjects emerge from the mass of detail which threatened to engulf Mr. Tennant and Mr. Harold Baker. Their prominence is due not so much to their intrinsic importance as to the fact that they roused the House to a certain degree of animation. The first subject was the question of inoculation against enteric. Inoculation has only one real enemy in the House, and he made no serious attempt to impugn its value. His main contention was quite independent of any medical theory. It was the perfectly legitimate contention that inoculation was nominally optional but in effect compulsory.² Mr. Tennant practically admitted the truth of this contention. He did not deny that some officers, acting on the best possible motives, had exceeded the instructions issued by the War Office.³ On the other hand, Lord Kitchener was so convinced of the danger arising from men going on leave uninoculated and returning to their regiments uninoculated, that he had issued instructions that leave was to be granted sparingly to uninoculated men.⁴ There the matter rested; but it is natural to conclude that a frank admission

¹ 69 H. C. Deb. 278 [282] seq.

² Ibid. 425 [431] seq.

³ Ibid. 605 [611].

⁴ Ibid. 606 [612].

of the necessity of universal inoculation would remove both a positive danger and a sense of injustice.

The second matter was one in which the War Office was associated with the Office of Works. On February 18 Mr. William Young first called the attention of the House to the appointment of Mr. Montagu Meyer as sole agent for the purchase of timber required by the War Office; and his criticisms found ready support on the Government side of the House.¹ Mr. Meyer's name was doubtless responsible for a good deal of the prominence which he suffered, but apart from that the critics established a *prima facie* case for investigation. At an early stage of the war the War Office, being in need of a large supply of timber, consulted with the Office of Works as to the best method of purchase. The Office of Works thereupon offered to take the whole responsibility off the shoulders of the War Office. They began to make inquiries and in the course of them came across Mr. Meyer. That gentleman asserted that the inquiries were affecting the market, and that it would be prudent policy to appoint an agent to buy directly not only from the merchants but also from the producers. His suggestion was accepted and he himself was appointed sole agent.² Criticism was directed to two main points. The first was the appearance of monopoly and the implication that the timber trade as a whole had been unfairly excluded. Certainly the arrangements were made in a hurry, and it was not clear from the Government statements how far other merchants had been effectively consulted.³ The second point was the size of Mr. Meyer's commission. His total purchases amounted to £600,000; his commission was $2\frac{1}{2}$ per cent. On this basis it was calculated that his clear gain in a full year would be £60,000.⁴ Here again Mr. Harold Baker was content to state that the transactions had exceeded anticipation, and that he believed the Office of Works were

¹ 69 H. C. Deb. 1342 [1356] seq.

² Ibid. 1351 [1363] seq.

³ Ibid. 1345 [1359], 1359 [1373].

⁴ Ibid. 1344 [1358], 1358 [1372].

considering whether the arrangements should not be modified.¹ In any case, he asserted, the appointment of Mr. Meyer had resulted in the saving of a considerable sum of public money.² Mr. Bonar Law so far supported the transaction as to say that he was inclined to think it was the best in the circumstances, but when it came to details, he was as severe as any of the critics.³ His severity was only tempered by the pessimistic reflection that it was hopeless to expect Government work to be done on ordinary business lines.⁴

RECRUITS AND MUNITIONS

Comparatively little was heard of recruiting prospects and achievements during the weeks under review. In his statement on February 8 Mr. Tennant stated in general terms that more men were needed.⁵ Lord Kitchener in his statement to the House of Lords on March 15⁶ made no reference to the matter at all. On the other hand attention was becoming more and more centred on the supply of warlike munitions. There are two separate and distinct aspects to the problem. The first, which has been called the mobilization of our industrial resources, principally affects capital. It consists in the utilization of all factory plant and accommodation which may be suitable and available, exclusively for the production of arms and ammunition. The second affects labour, and consists in the conscientious and strenuous co-operation of workmen, skilled and unskilled, in the national enterprise.

For the first part of this undertaking Mr. Lloyd George decided to take the House by storm, and his bold policy was justified by success. On March 9 he produced the Defence of the Realm Amendment (No. 2) Bill,⁷ which is by far the most drastic of the series to which it belongs. Its

¹ Ibid. 1354 [1368].

² Ibid. 1353–4 [1367].

³ 70 H. C. Deb. 1054.

⁴ Ibid. 1054 seq.

⁵ 69 H. C. Deb. 281 [285].

⁶ 18 H. L. Deb. 719 seq.

⁷ 70 H. C. Deb. 1257 seq.

predecessors had given the Government power to take over any factories in which war material was actually produced. The new measure extended this power to all factories which could be used for the production of war material. As Mr. Bonar Law pointed out, this was perhaps the most drastic proposal which had ever been put before any House of Commons. For it enabled the Government to tell any manufacturer what he was and what he was not to make.¹

The professed intention of the Government had been to pass this important measure through all its stages at one sitting. By yielding gracefully on this point, they secured its passage through the Commons in two days.² In his speech on March 10 Mr. Lloyd George declared that we could not conduct war and still allow business to be conducted as usual. With his usual talent for phrasemaking he suggested that 'Victory as usual' should be substituted for the worn and impracticable motto 'Business as usual'. It was essential, he said, that we should increase enormously our output of munitions. All those who understood the military position knew how much depended on an overwhelming supply of explosives at the critical moment. Manufacturers would be put to inconvenience. But the national need was overwhelming, and every member of the community must be prepared to suffer inconvenience, discomfort, and if necessary sacrifice, for the common cause.³ Mr. Bonar Law was surprised that the Government had not asked for these extended powers six months earlier. He expressed the conviction that the passage of the Bill would have so large a moral effect that there would be no need for the Government actually to take over any works at all. Not only would employers respond to the appeal made to their patriotism; they would also be relieved of any hindrances in the form of articles of association.⁴ The remainder of the debate turned largely upon the question of compensa-

¹ 70 H. C. Deb. 1260.

² Ibid. 1258, 1269.

³ Ibid. 1444-6.

⁴ Ibid. 1447.

tion. Strangely enough, there was not a word in the Bill about this important matter, but Mr. Lloyd George announced that before the Easter recess he hoped to appoint a Commission to consider any claims that might arise.¹

On March 15 Lord Kitchener dealt with the other aspect of the problem and made a direct appeal to labour. He told the House of Lords that the output of munitions was not only unequal to our needs, but also fell short of expectations. A large number of orders had not been executed by the dates agreed upon.

The supply of war material at the present moment and for the next two or three months is causing me very serious anxiety.

While paying a tribute to the loyalty of the great body of workmen, he asserted that in many cases absence, irregular time-keeping, and slack work had led to a marked diminution of output. Excessive drinking was responsible for a large measure of this inefficiency. But the restrictions imposed by trade unions had also played their part in hampering production. He wished the workmen to realize that it was of vital importance to wipe out all arrears and that every round of ammunition told. He added that, in cases where service had been loyally, thoroughly and continuously rendered, the King had approved the grant of a medal on the successful termination of the war.²

FOOD PRICES

A motion brought forward by Mr. Ferens³ on February 11 gave the opportunity for the Prime Minister to make an important statement upon the price of food and other commodities. He pointed out that, though prices were high, they were lower than had been generally anticipated in August last and compared favourably with those current during the Franco-Prussian War.⁴ There were

¹ Ibid. 1469-70.

² 18 H. L. Deb. 721-4.

³ 69 H. C. Deb. 750 [756] seq.

⁴ Ibid. 752-5 [758-61].

many causes which contributed to the rise in the price of wheat. The Australian crop had failed; the Argentine crop was late in coming to the market. In addition there had been much speculation in the United States. Thus the rise in price could not be ascribed wholly to the war. On the other hand, the closing of the Dardanelles had seriously shortened supply, and the war was partly responsible for the rise in freights.¹ With regard to coal, the rise of price must be attributed to high freights and shortage of labour.² Sugar, he thought, was likely to fall in price.³ The remedies proposed by the Government had as their main object an increase in the shipping available. They included the release of interned ships and of ships at present occupied by prisoners, and accelerated procedure in the Prize Courts.⁴ The Prime Minister refused to resort to 'more heroic steps'.

It has been suggested that they [the Government] should fix maximum prices—an experiment which the German Government have made with most disastrous results. The only result has been to lead to evasion, confusion, and the frustration of the purposes which they had in view.⁵

With this general conclusion Mr. Bonar Law agreed, though he held that the Government ought to have bought wheat either at the outbreak of war or at all events when it became certain that Turkey would be involved.⁶ The Labour Party, however, were in direct disagreement and on February 17 moved an amendment in favour of maximum prices. Their main contention was that there was no real scarcity, and that the rise of prices was due to machinations in the market.⁷ They were prepared to carry their convictions into the division lobby, but the Speaker refused the closure, and both motion and amendment remain suspended.

¹ 69 H. C. Deb. 756-8 [762-4].

² Ibid. 761-2 [767-8].

³ Ibid. 761 [767].

⁴ Ibid. 762-6 [768-72].

⁵ Ibid. 769-70 [775-6].

⁶ Ibid. 780-1 [786-7].

⁷ Ibid. 1139 [1151] seq.

PRESS CENSORSHIP—ALIENS

On February 8 and March 8 there was an echo of the autumn sittings in the form of a brief debate on the Press Bureau. The immediate cause of complaint on the latter occasion was the suppression in the United Kingdom of Canadian comment on the appointment of Brigadier-General Seely.¹ Sir Stanley Buckmaster replied that the telegram in question contained a passage which it would have been most unwise to publish,² and he defended himself generally against the charge of causing unnecessary inconvenience to the press.³ The debate on February 8 was wider in scope, but even more unsatisfactory. The question was raised in a form which allowed only the part played by the War Office to be discussed, to the exclusion of that played by the Admiralty and Foreign Office. Even in this limited sphere the debate produced little that was new. Sir Stanley Buckmaster was pugnacious, but he failed to make clear to the House what, if any, his functions and responsibilities really were.⁴ The most interesting development was brought to light on February 11, when the Prime Minister announced that for the future Sir John French would provide a bi-weekly summary of the doings of the Expeditionary Force.⁵

The alien question was discussed anew on March 3. Mr. Joynson-Hicks, who initiated the debate, made three specific demands: that all enemy aliens in London should be interned; that every alien, without exception, should be removed from the prohibited areas; and that the regulation of aliens should be in the hands of a single responsible minister.⁶ In reference to the first two points, Mr. McKenna asserted that it was impossible to make mere nationality an offence, and he instanced cases in which technical German nationality was very far from being accompanied by pro-German sympathies.⁷ With regard to the third

¹ 70 H. C. Deb. 1206 seq.

² Ibid. 1212.

³ Ibid. 1216.

⁴ 69 H. C. Deb. 345 [349] seq.

⁵ Ibid. 706 [713].

⁶ 70 H. C. Deb. 836-7.

⁷ Ibid. 850-1.

point, he informed the House that since November 11 the responsibility for the internment and release of enemy aliens had rested solely with the military authorities, and that Lord Kitchener was not prepared to surrender that responsibility.¹ The debate which followed was interesting, in that it revealed many specific cases where suspicion seemed justified.² But it led nowhere, inasmuch as no effective reply from the Government was forthcoming.

LEGISLATION

With private members' Bills excluded, legislation followed the course which has become familiar since August. A number of small measures, designed to patch the rents made by the war in the social structure, were passed after a little talk but no real discussion. All were useful or necessary; few merit particular notice. The Defence of the Realm Amendment (No. 2) Bill was on a different footing and has been referred to elsewhere. Of the others the most discussed was the Defence of the Realm Amendment Bill, which substituted trial by jury for court martial in the case of British subjects indicted for the more serious offences under the Defence of the Realm Acts.

One interesting, if minor, point may be noted in connexion with the Naval Discipline Bill. The Statute Law Revision Act, 1893, with the ruthlessness characteristic of such measures, provided for the optional excision of the preamble to the Naval Discipline Act.³ That preamble, which dates back for some 350 years, asserts that the Act is to provide for the discipline of the Navy,

Whereon, under the good providence of God, the wealth, safety, and strength of the kingdom chiefly depend.⁴

The option, in point of fact, has never been exercised, and the sonorous phrase has remained at the head of the Act. The new Bill, however, repealed the option, and the words

¹ 70 H. C. Deb. 845-7.

² Ibid. 858 seq.

³ 56 Vict., c. 14, s. 1.

⁴ 29 & 30 Vict., c. 109.

stand for the future not as a matter of taste, but as a matter of right and law.

It may also be noticed that another preamble has suffered mutilation in the course of the last half-century. Up to 1868 the preamble to the Army (Annual), or rather the Mutiny, Act recited that

a Body of Forces should be continued for the safety of the United Kingdom and the Defence of the Possessions of His Majesty's Crown and *the Preservation of the Balance of Power in Europe*.¹

Forty-seven years ago the last phrase was dropped, presumably because it failed to express the then prevailing idea of the responsibilities of the British Empire.

One last point in connexion with legislation is worthy of some consideration. It was noticed above that the debate on the Defence of the Realm Amendment (No. 2) Bill turned mainly on the question of compensation, and that there was not a word of compensation in the Bill. The official explanation is that the payment can legally be effected out of the vote of credit.² Legally, any expenditure remotely connected with the war can be so met. Parliament gives the Executive a wide discretion. The Government are all the more bound not to abuse that discretion. In this particular case compensation is of the essence of the scheme. Mr. Lloyd George acknowledged it and promised a Commission. The House of Commons may talk, but cannot, as such, move an amendment involving a charge on the Exchequer. They may talk, but in the end they must decree confiscation. Afterwards the Treasury, throned above such trivialities as parliamentary sanction, may reach forth a beneficent hand and carry out the humble petitions of the House of Commons. This may be legal, but if it is constitutional, it is constitutionalism gone mad. Yet the explanation is perfectly simple, and is not constitutional at all but parliamentary. The explanation is to be sought in the dislike of the Treasury Bench for money clauses. They

¹ e.g. 30 Vict. c. 13.

² 70 H. C. Deb. 1270, 1443.

involve an extra stage of procedure, an additional opportunity for debate. It has been pointed out before in these pages that this extra stage, in the case of Government Bills, is often superfluous and unprofitable.¹ But that does not justify a minister in presenting to the House a truncated and incomplete scheme and using the power conferred by votes of credit to make good its deficiencies. The House of Commons, not the Treasury, is the guardian of the public purse, even if its procedure is not well adapted to make its guardianship effective. When a Bill involves a charge upon the Exchequer, that charge should be set out in plain language, and sanctioned by the House, with or without the pomp and ceremony of a Committee resolution. The House might be asked to abandon their time-honoured but devious ways. They ought not to be tricked or cajoled into closing their eyes to their financial responsibilities.

The Defence of the Realm Amendment (No. 2) Bill is not a solitary, though it is a conspicuous, example. The Injuries in War (Compensation) Bills should all have been Money Bills; yet they were not introduced on resolution. The National Insurance (Part II Amendment) Bill involved a public charge, but the only hint of that charge was given by the italicization of a few apparently insignificant words. Speaking generally, where financial procedure cannot be avoided altogether it is either challenged in its mildest form or else it is rendered nugatory by studied obscurity. In spite of the events of 1909 and the Parliament Act, the real danger to the financial independence of the House of Commons is not to be found in the House of Lords.

THE WELSH CHURCH BILL AND THE TRUCE

The political truce still continues. Mr. Bonar Law took the earliest opportunity of stating that in any criticism which the Opposition might feel it their duty to offer they

¹ *Political Quarterly*, No. 1, p. 179, No. 3, p. 157.

would not be actuated in any degree by considerations of party motive.¹ The Prime Minister, for his part, acknowledged generously the assistance, 'patriotic in spirit, and inestimable in value', which the Opposition had rendered in the various inquiries necessitated by the war.² On February 3, on the motion for taking all the time of the House, he outlined the intentions of the Government.

It would not only be idle, but I think it would be offensive to the good sense of the nation to proceed at such a time with controversial legislation or with the more or less academic discussion of possible social and political reforms.³

This declaration cleared away all suspicions as to the intentions of the Government. But the debate which followed showed that there still existed some ground for uneasiness.⁴ The Prime Minister, indeed, was impelled to administer a personal rebuke to his discontented followers.

To listen to some of the criticism offered in this debate one would not realize that a great war was being waged and that six millions at least of men in arms were fighting one another to the death.⁵

Hopes and fears in this debate were centred on the Plural Voting Bill. But there was one other problem still unsolved in the world of controversial politics. It will be remembered that at the end of the session of 1914 the date of the disestablishment of the Church in Wales was postponed for one year or until the end of the war, and that the Government refused to accept suggestions from the Lords for a further postponement.⁶ The Suspensory Act, however, did not provide for any necessary postponement of the proceedings of the Commissioners preliminary to disestablishment. On February 10 Mr. Bridgeman protested against the action of the Commissioners in taking what he alleged was an irregular poll of the border parishes.⁷

¹ 69 H. C. Deb. 7 [9].

² Ibid. 8 [10].

³ Ibid. 42 [46].

⁴ Ibid. 56-7 [60-1], 66 [70].

⁵ Ibid. 70 [74].

⁶ vide P. Q. No. 4, p. 154.

⁷ 69 H. C. Deb. 671 [677] seq.

Lord Robert Cecil went further and asserted in general terms that the work under the main Act was proceeding precisely as if there had been no Suspensory Act.¹ Mr. McKenna dismissed all protests with the contention that the Commissioners had acted strictly in accordance with the Act and with good sense.² The Prime Minister, however, did not endorse the unyielding complacency of his lieutenant. On February 23 he announced that the Government were considering various points submitted to them with regard to the Welsh Church Act, and that there seemed to be some prospect of agreement.³

The next overt step was taken in the House of Lords, where the Duke of Devonshire introduced a Bill providing for the postponement of all proceedings under the main Act until the end of the war. Negotiations were proceeding, and the Bill came up for second reading only on March 9. Lord Beauchamp at once rose on behalf of the Government, and announced that after consultation with the parties concerned, a compromise had been provisionally arranged. The Government, for their part, were prepared to postpone the Act until six months after the end of the war, and to give to the Representative Body the value of the life interest of benefices vacant on September 18, 1914, or falling vacant between that date and the date of disestablishment. They asked in return from the Opposition that no proposals for repeal or amendment should be made or countenanced before the date of disestablishment.⁴ Lord Lansdowne accepted the condition, with the proviso that it was limited to proposals in Parliament,⁵ and Lord Beauchamp's Bill was passed rapidly through all its stages.

Storms, however, were threatening in the Commons. The Welsh Liberals found in the proposed arrangement two grounds for indignation. The first and most prominent

¹ 69 H. C. Deb. 684 [690].

² Ibid. 683 [689].

³ 70 H. C. Deb. 173.

⁴ 18 H. L. Deb. 614-6.

⁵ Ibid. 618.

was wounded *amour propre*. They had not been consulted. The affairs of Wales were being compromised over the heads of the Welsh representatives. In the second place, the new arrangement with regard to life interests would confer a pecuniary advantage on the Church in Wales. Accordingly they held hurried meetings, passed heated resolutions, and pledged themselves to resist the new Bill at every stage.

The Opposition, for their part, began to fear that the Government might yield to pressure and recede from the position they had taken up in the House of Lords. With a view, therefore, to obtaining a speedy decision, Lord Robert Cecil proposed on March 15 that the House should adjourn only for a week instead of for a month.¹ The Prime Minister² and Mr. Lloyd George³ both hastened to administer balm to the wounded feelings of the Welsh members, and the latter made a striking appeal to their patriotism. He spoke of the 80,000 recruits which Wales had contributed, and of their bravery in the field. He continued :

Yes, but she will have to show more. She will have to show not merely that she is prepared to take her part, but that there is nothing mean and small in the way she faces a great situation. One hundred thousand pounds more, is it? What is the value of that by the credit of our country? That is the computation. I do not believe it, but take it at that. You will get more to the credit and honour of Wales, in the fact that our country has behaved with dignity in the great hour that has come to it.⁴

How far the Welsh members were soothed or exalted is a question which only the future can answer. Their speeches in the House were less violent than their resolutions, but the resolutions after the debate showed no signs of a milder spirit. It is sincerely to be hoped that, after an interval for reflection, they will perceive the folly and the criminality of allowing the national unity to be destroyed by this miserable echo of former controversies.

¹ 70 H. C. Deb. 1762 seq.

² Ibid. 1775 seq.

³ Ibid. 1794 seq.

⁴ Ibid. 1799.

I. GOVERNMENT BILLS WHICH RECEIVED THE ROYAL ASSENT

FEBRUARY 2 TO MARCH 16, 1915

[NOTE.—The Bills which received the Royal Assent during the Autumn sittings were given in the last number of the *Political Quarterly*, p. 140.]

Army Act Amendment.	Irish Police (Naval and Military Service).
Army (Annual).	Legal Proceedings against Enemies.
Army (Suspension of Sentences).	National Insurance Act (Part I. Amendment).
British Ships (Transfer Restriction).	National Insurance Act (Part II. Amendment).
Consolidated Fund (No. 2).	Naval Discipline.
Customs (War Powers).	Naval Marriages.
Defence of the Realm (Amendment).	Naval Medical Compassionate Fund.
Defence of the Realm (Amendment) (No. 2).	Universities and Colleges (Emergency Powers).
Injuries in War (Compensation) (No. 2).	

II. GOVERNMENT BILL IN PROGRESS

*Title of Bill.**Stage Reached.*

Welsh Church (Postponement) [*Lords*] . . . Read the first time.

III. SUMMARY OF LEGISLATION

	<i>Introduced into Commons.</i>	<i>Brought from Lords.</i>	<i>Dropped or Withdrawn.</i>	<i>In Progress.</i>	<i>Passed.</i>
Public Bills :					
Government .	37	1	—	1	37
Private Members' .	—	—	—	—	—
Provisional Order Bills	2 ¹	—	—	—	2
Scottish Order Confirmation Bills .	1	—	—	—	1
Private Bills .	33 ¹	6 ¹	3	33	3

¹ Including 1 Bill suspended from session 1914.

CENTRAL ADMINISTRATION

PUBLIC FINANCE

I. *Financial Statement 1915-16.*¹ The Chancellor of the Exchequer presented his budget statement on May 4. First as regards expenditure, the total amount issued in the financial year 1914-15, including eight months of war, was £560,474,000. Of this sum £168,054,000 consisted of Supply Services (which include the ordinary Army £28,886,000 and Navy £51,550,000 expenditure), while £357,000,000 represented Votes of Credit. The cost of the war therefore for the first eight months was, as Mr. Lloyd George stated, 'in round figures,' £360,000,000. That sum, however, included advances to the Dominions and to our Allies of £52,370,000, the net cost of the war to the end of the financial year being £307,416,000. But this total includes a sum of money 'invested' in the purchase of wheat, meat, sugar, and certain commodities—amounting, it appears, to roughly £28,400,000. Thus the expenditure properly charged against the first eight months of war is £279,000,000, of which £102,000,000 were due to the first four months of war, while the second four months cost £177,000,000. The daily cost of the war to this country is steadily rising, and Mr. Lloyd George stated that while it was a little less than £2,000,000 a day in the beginning of May it would gradually be increased to £2,200,000—the average throughout the year being estimated at £2,100,000 a day.

The total expenditure for the year 1915-16 cannot in the nature of the case be satisfactorily estimated, because it depends on whether the war continues throughout the whole or only a part of the financial year. If the war continues for six months only of the financial year, i. e. to September 30, 1915, the total estimated expenditure, allowing for suspension of the New Sinking Fund (£3,780,000) and including advances to Allies and Dominions of £100,000,000, is placed at £786,678,000. If the war lasts throughout the whole financial year to March 31, 1916, the corresponding total expenditure, which includes £200,000,000 for advances to Allies and Dominions, amounts to £1,132,654,000.

Second as regards revenue, in the financial year 1914-15 the

¹ H. C. 71, 980 seq.; also *White Paper* 222, 1915.

receipts amounted to £226,694,000, an increase of no less than £17,488,000 over the budget estimate for 1914-15 made in November 1914. This remarkable increase has been due mainly to what Mr. Lloyd George called 'the wonderful buoyancy' of the Income Tax and Super-tax, and to the yield of Customs and Excise Revenue. The actual yield of Income Tax was £59,279,000, the forecast in November being £53,000,000, and the yield of Super-tax was £10,120,000, the November forecast being £8,460,000. Thus Income and Super-tax have brought in almost £8,000,000 more than was anticipated. As regards Customs and Excise, the November estimate was £73,900,000, while the revenue actually received came to £80,975,000—an increase of over £7,000,000. Of this amount £3,000,000 are considered to be due to forestalments, notably in spirits, tea, and tobacco.

For the year 1915-16 Mr. Lloyd George estimated a total revenue of £270,332,000—an increase of £43,638,000 upon last year. He anticipated that there would be an increase of £14,225,000 on the Exchequer receipts from Customs and Excise, due to the proposed heavy addition in duties on spirits, wines, and beer. But as the proposed duties have, owing to the strong opposition encountered, been largely withdrawn, this part of the budget statement will undergo very serious modification. The total increase from Inland Revenue—mainly Income and Super-tax—is estimated at £32,170,000. The system of taxation with certain minor modifications will remain as it was in the preceding year—including the war taxes imposed in 1914. Deducting estimated revenue from estimated expenditure, there remains on the assumption of war lasting till September 30 an estimated deficit of £516,346,000, and on the assumption of war lasting till March 31, 1916, of £862,322,000. These sums will be increased further by the withdrawal of the proposed spirits, wines, and beer duties. If no further taxation is imposed their charge will be an addition to the National Debt. In his budget speech Mr. Lloyd George discussed at some length methods of raising such unparalleled sums of capital. He referred to three modes of action: first, the issue of paper currency, an easy and tempting method which he rejected as unsound policy for a country with a great international trade; second, the sale of securities in foreign markets—an expedient which he considered of limited scope and one which might readily involve enormous losses; third, reliance on the accumulated and accumulating savings of the country. It is to this latter source that he looks for the financial support necessary to carry the war through to a successful conclusion.

ANNUAL ESTIMATES

I. CIVIL SERVICES

The total Estimates for the Civil Services in 1915-16 amount to £59,017,468, an increase of £1,951,652 on the original Estimates for 1914. The Supplementary Estimates last year amounted to £1,818,824, so that compared with the total Estimates for 1914-15 the Estimates for 1915-16 show a net increase of £138,828.

Taking the several divisions of the Estimates :

Class 1, *Public Works and Buildings* shows a total Estimate of £4,062,740, being an increase of £317,535. This increase is mainly due to a new Vote of £250,000 for Works for the Relief of Unemployment. This is in one sense war expenditure, to be used only in the event of serious unemployment arising in the building trade during the war. The expenditure will be made upon works such as would in any case be required for Government purposes in the course of the next few years.

Class 2, *Salaries and Expenses of Civil Departments*, £4,604,991, shows a decrease of £118,006 on the preceding year. The decrease in this expenditure would have been considerably greater but for certain additional charges which are directly or indirectly due to the war. Thus the Secret Service Vote has been increased from £50,000 to £150,000. There is also an important increase in the Grants for Child Welfare, the sum required being £50,000 as compared with £12,000 voted in July 1914. On the other hand, whereas in 1914-15 the Grant in aid of the Agriculture (Scotland) Fund Act amounted to £185,000, the sum appropriated this year is £10,000.

Class 3, *Law and Justice*, £5,028,420, shows an increase of £259,186, due to the increase on the County Courts Vote owing to the shortage of fees which is expected to arise from the operation of the Courts (Emergency Powers) Act, 1914, to increases in the rates of pay to the Royal Irish Constabulary, and to additional charges upon the Vote of the Irish Land Commission.

Class 4, *Education, Science, and Art*, £20,956,239, shows an increase of £397,048 on the preceding year. There is a new Vote (Special Grants to Universities) which accounts for £145,000 of this increase owing to the heavy reduction in the receipts from fees of male students of military age. There is also an increase of £145,000, due partly to the automatic growth of the Grants for (1) Medical Inspection and Treatment, and (2) the Provision of Meals, partly to a new item of £22,000 for Schools for Mothers

and Day Nurseries. This latter expenditure is co-ordinated with the expenditure on Child Welfare for which provision is included in the Local Government Board Vote.

Class 5, *Foreign and Colonial Services*, £1,486,811, shows a reduction of £380,106, which is due to the inclusion in the Estimates for 1914-15 of a loan of £245,000 to Persia, and £5,000 to Albania. There is also a decrease of £98,249 in the Vote for Colonial Services.

Class 6, *Non-effective and Emergency Services*, £1,091,109, which includes the Superannuation and Retired Allowances, shows a decrease of £237. The Votes for Temporary Commissions and also for International Commissions which fall within this class have been reduced.

Class 7, *Old Age Pensions, Labour Exchanges, Insurance, &c.*, £21,787,158, is the largest class in the Civil Service Votes, exceeding even the Education, Science, and Art Vote. There is a decrease in the total Estimates for this year of £342,592. On the Vote for the National Health Insurance Joint Committee there is a decrease of £600,689, the major part of which is owing to a reduction of £350,000 on the sub-head Sickness Benefit (Women), provision having been made by Supplementary Vote in July 1914 for two years' expenditure. So also there is a decrease of £95,000 on the Special Grants for the Treatment of Tuberculosis, as it is estimated that the sum already provided will be sufficient to meet all Grants which will be earned. There is also a decrease of £100,000 in expenditure under the Unemployed Workmen Act, 1905. On the other hand, the Vote for Old Age Pensions shows an increase of £379,000, but of this amount £200,000 is due to the necessity of providing in the present case for fifty-three pay-days (Fridays) in the financial year.

II. REVENUE DEPARTMENTS

The Revenue Departments, namely, the Customs and Excise, the Inland Revenue, and the Post Office, show a total estimated expenditure of £31,624,779, being an increase of £656,864 on 1914-15. There is a small increase on the Vote for Customs and Excise, but the large war expenditure of this Department will be met from Votes of Credit. In the case of the Inland Revenue there is a small net increase of £21,472. An increase of £119,064 in consequence chiefly of charges arising out of the administration of the Finance Acts, 1914, is off-set by a decrease of £123,808 in the Land Valuation Office Vote owing to the approaching completion of the original valuation under the Finance Act, 1910.

The Post Office Estimates, which alone amount to £26,836,380, show an increase of £609,550, mainly due to increases in salaries, wages, &c.

The war shows its influence at many points on the Estimates of the Civil Service and Revenue Departments. Savings and reductions have been made in certain directions, but many new duties have been thrown upon the Civil Service Departments, and the full effect of the war upon their expenditure cannot be gauged until later in the year when the Supplementary Estimates are forthcoming.

DEPARTMENTAL COMMITTEE ON RETAIL COAL PRICES ¹

This Committee, which was appointed on February 25, signed its Report within a month on March 24, a considerable achievement in view of the nature of the inquiry. The terms of reference of the Committee were 'to inquire into the causes of the present rise in the retail price of coal sold for domestic use, especially to the poorer classes of consumers in London and other centres'. Fifteen meetings were held and thirty-three witnesses examined, including representatives of Government Departments, railway companies, London coal merchants, colliery owners, co-operative societies, the gas companies, and the London trolley trade. The Committee concentrated their attention mainly on London, as, with certain exceptions, the North and the Midlands did not suffer from any remarkable rise in the price of household coal. In the southern counties prices are governed largely by London conditions. It was ascertained by the Committee that in London the rise on summer prices by February 20, 1915, was 9s. per ton for good coal, and 14s. per ton for the cheapest quality, these prices representing, over the normal rise in prices at this time of year, an increase of 7s. per ton for good coal, and 11s. per ton for the cheapest coal, the prices of the lower qualities undergoing the greatest increase.

The Committee came to the conclusion that the high prices of household coal are not attributable to the existence of definitely constituted 'rings' or close corporations among either coal merchants or colliery owners, but they were satisfied that there were opportunities of conference among those chiefly concerned which in effect commonly lead to concerted action with respect to prices. They explain the arrangement, evidently peculiar to

¹ Cd. 7866.

London, which exists between the merchant and the colliery owner. The pit-head price is fixed corresponding to a fixed retail price in London. The colliery owner never gets less than the fixed pit-head price, but when the retail price in London rises above that mentioned in the contract he receives half the increase. This arrangement, it is pointed out, gives coal owners and merchants a common interest in high prices, while there is no sharing of the loss if prices are low, and consequently no inducement to reduce prices. Further, the arrangement has an important effect on the amount by which London prices must be raised to recoup either colliery owner or merchant for an increase in his costs. If costs rise 6*d.* per ton, the consumer must be charged 1*s.* per ton extra, for the party whose costs have risen receives only half the increased price. Similarly the Committee points out that such a system secures the leading merchants against undercutting competition by the fact that any reduction by an outside competitor in his retail price gives him no corresponding reduction in the price which he pays to the colliery owner under the sliding-scale contract. The Committee consider this system indefensible.

With regard to the deficiency in supply, the Committee point out that the chief cause is the reduction of output, due mainly to the large number of miners who have joined the colours, estimated at the time of the Committee's Report at 130,000. London suffers particularly at a time of scarcity because of its inadequate storage accommodation, and if the railways are not working with their usual efficiency the scarcity is instantly felt and reflected in rising prices. The decrease of sea-borne supplies of household coal, and the congestion on the railways with shortage of wagons arising from military requirements, have contributed during the winter to the shortage in London, but prices have been greater than they need have been by reason of 'panic' orders. The Committee state, however, that the daily arrivals of rail-borne coal to the London market are now equal to the usual supplies available at this time of the year.

The Committee give it as their considered opinion that the conduct of an industry on which such great national interests depend cannot safely be left in a time of crisis to the working of an unregulated system of supply and demand. With regard to recommendations, they suggest :

1. That the immediate remedy is to be found only by adopting and applying the principle that at a time like this the nation should have the first call upon its coal supplies, and that pending an actual increase in output some restriction should be placed upon exports to neutral countries.

2. That steps should at once be taken to consider in consultation with the London County Council the question of the accumulation by the Council, and by other public bodies which can secure the necessary facilities, of reserves of coal in or near London for the use of small consumers during next winter.

3. That in view of the importance of a cheap supply of gas to the poorer classes of consumers, and in order to assist in diminishing the price of gas-coal, and also to increase the facilities for the transport of household coal, the policy of lowering the rates of freights on interned ships now in the hands of Government and occupied in transporting coal for Public Utility Companies in London should be further extended.

4. That suitable enemy ships condemned by the Prize Court should be taken over by the Government and used for coal transport.

5. That in the event of prices not shortly returning to a reasonable level, the Government, in view of the national interests involved, should consider a scheme for assuming control of the output of the collieries in the United Kingdom with a view to regulating prices and distribution during the continuance of the war.

CENTRAL COMMITTEE ON WOMEN'S EMPLOYMENT¹

This Committee marks a new departure in the constitution of Government Committees. The Committee of 14 consists entirely of women with Lady Crewe as 'Chairman'. It was appointed on August 20, 1914, by Mr. Herbert Samuel 'to be a Standing Committee to consider, and from time to time report upon, schemes for the provision of work for women and girls unemployed on account of the war'. The Report, however, shows that a very free interpretation has happily been placed upon the terms of reference. The Committee has not simply considered and reported, but has acted, and it is not too much to anticipate that the steps taken may open a new page in the history of women's employment. The Committee have classified their functions under two heads as follows :

1. Employment of Women under Economic Conditions.

(a) To assist the proper distribution of work available for women in normal industry and to facilitate the provision of alternative employment (not entailing loss of skill) for skilled women workers displaced owing to the war.

(b) To promote new openings for permanent employment under economic conditions.

¹ [Cd. 7848.]

2. Relief Work.

(a) To lay down the lines on which the Central Committee would be prepared to approve schemes for the provision of work for women unemployed owing to the war, submitted by Local Representative Committees, and to be administered by them.

(b) To consider actual schemes submitted for approval by Local Representative Committees, and, after approval, to supervise their administration.

(c) To promote and administer experimental schemes, approved by the Government Committee, under which work is provided for women displaced owing to the war.

With regard to 1. Employment of Women under Economic Conditions: The Committee had to face the difficulty of overpressure in certain trades and unprecedented slackness in others in which women were employed. The problem, therefore, was to assist in distributing available work and to provide alternative employment for skilled women workers displaced owing to the war. The Committee took the very practical step of constituting a special Contracts Department under expert direction and were thereby able to assist the Government

(1) By advising in regard to the placing of contracts and orders so that unemployment may be prevented or minimized.

(2) To undertake orders for certain articles from Government and other sources, such orders being carried out by:

(a) Firms adversely affected by the war:

(b) Workrooms organized by the Committee on a self-supporting basis.

The Report gives an interesting account of some of the practical steps which the Committee were able to take by the way of assisting firms to undertake new lines of manufacture for which there was an urgent demand. But the Committee have not only acted as a body to facilitate the distribution of contracts and to assist firms unused to Government work to undertake War Office contracts. At an early stage they found that they must assume trading responsibilities, and the Report states that the discharge of such responsibilities has since 'formed the main business of the Department'. It was found that there were many firms in, for example, the dressmaking and needlework trades to whom early in August orders ceased to be given, and who, unless assisted, must have dispensed with some or all of their employees. These firms were, in general, too small and possessed of too little equipment and experience to tender to the War Office for the supply of garments, and it was recognized

that a central body must act on their behalf, with the power of placing contracts, of supplying expert advice, of paying promptly for work done, and of undertaking such services and processes of manufacture as the firms were unable economically to perform for themselves. Accordingly, the Committee applied for and obtained several large Government contracts. In a new departure of this kind it was important that the principles of action should be clearly determined, and the Committee in their Report state that :

1. The work is only undertaken where the ordinary trade is fully employed.

2. The work is undertaken at trade prices and is self-maintaining. Advances made from the National Relief Fund in connexion with certain contracts are merely working capital which at the completion of the contract will be returned in full.

3. The conditions as to the remuneration of workers have been (since October last) those usual in women's trades, that is to say, payment is mainly by piece, and the limits as to weekly earnings which apply in the Relief Workrooms are not observed.

Besides undertaking these very important and pressing executive duties, the Committee have made a wide range of inquiries with regard to possible new openings for women in permanent employment. This is a side of the Committee's work which we hope will bring with it considerable results. Two small experiments in fruit preserving and pulping, and in employment of working girls on the land, were partly financed on the recommendation of the Committee.

2. The second function of the Committee was to deal with the Relief Work. Here the Committee have acted on the principle that use should be made where possible of the local machinery established in August 1914 for the purpose of relieving distress due to the war. The Committee therefore adopted the rule that in the case of local organizations the management of special Relief Workrooms must be vested in a Women's Employment Sub-Committee of the Local Representative Committee for relief of distress. The functions of the Central Committee have been mainly those of laying down the principles on which schemes of work and training should be organized, and of advising Local Committees in connexion therewith. Throughout in their relief work the Committee have had in view the object of combining relief with schemes of work which would increase the efficiency of the girls and women concerned. Local Committees have been urged to seek the co-operation and advice of the Education Authorities.

The Committee deal at some length with the problem of the fixing of a minimum rate of wages, which was originally placed by them at 3*d.* an hour, the working week being limited to a maximum of forty hours, and 10*s.* a week being fixed as the maximum relief allowed in the form of maintenance or wages. This maximum, in view of the increase in the cost of living, was raised at a later date to 11*s.* 6*d.* The whole of this side of the question is one of considerable difficulty, and the action and experience of the Committee deserve very careful consideration. The Committee organized in London a number of experimental workrooms under their own direct management, but the normal method of starting a scheme of special employment has been through a Sub-Committee of the Local Representative Committee. The Central Committee is itself in close touch with the Government Committee on the Prevention and Relief of Distress, and when a Local Representative Committee makes a proposal for the opening of a workroom the Central Committee notifies this to the above Government Committee, which decides as to whether the needs of the district justify this form of relief. Besides workrooms and training centres for women over sixteen years of age, steps have been taken to provide juvenile training centres, and to combine training with instruction in English, dressmaking, needlework, hygiene, cookery, home nursing, and physical drill. It is not possible in a brief survey to refer to all the developments which have been undertaken by this business-like and enterprising Committee, but the Report itself should be studied by all who are interested in the problem of women's employment.

THE PUBLIC TRUSTEE

THE Report of the Public Trustee for the year ending March 1915,¹ besides being a record of continued expansion of the business of the Department, contains some interesting new features. Perhaps the chief of these is an interim Report on the administration of the special emergency legislation entrusted to the Public Trustee, as custodian of enemy property, in consequence of the war. The Trading with the Enemy Amendment Act 1914 provided that, subject to certain exceptions, enemy property is to be registered with the custodian, and certain important categories of enemy income paid over to him; and authorized the investment, in such manner as the Treasury may approve, of any monies paid over under the Act. Up to the date when the Report was drawn up, enemy property to the value of over £84,000,000 had

¹ [Cd. 7833.]

been registered, and enemy income of over £700,000 received; and with the consent of the Treasury, arrangements have been made with the Bank of England for the automatic investment of moneys as received. £675,000 has already been invested, and it is evident that the administration of the statute will be carried out free of cost to the taxpayers from the interest earned. Another feature of interest is the appointment of the staff as members of the established Civil Service. The necessity and advantages of providing some permanent constitution with a pensionable basis for the staff of the Department was urged in previous Reports, and was one of the recommendations of the Royal Commission on the Civil Service in April 1914. In December the consent of the Treasury to this step was announced. It may also be remembered that in the last Report of the Public Trustee the suggestion was made that the setting up of a Committee on Investments would be of great assistance to the Department; this Committee was shortly afterwards appointed, and has met periodically, and has under consideration all investments made by the Public Trustee since their appointment.

The record of the Department since the time of its inception (October 1907) has been one of continued expansion of business. The value, ascertained and estimated, of the business of all kinds transacted, together with that of certain trusts in course of transfer, has reached a total of £132,061,159. The balance sheet shows that for the past five years the Department has been entirely self-supporting; and that after all expenses incurred, on every account, since October 1, 1907, have been discharged, the Department completes seven and a half years' work with a balance to the good of £29,306.

SELECT LIST OF IMPORTANT PARLIAMENTARY AND OFFICIAL PUBLICATIONS

- Correspondence between His Majesty's Government and the United States Government respecting the Rights of Belligerents.* [Cd. 7816.] 3d.
- Correspondence respecting the Third International Opium Conference held at the Hague, June 1914.* [Cd. 7813.] 2½d.
- Dominions Royal Commission.* Fourth Interim Report. [Cd. 7711.] 4d.
- East India (Executive and Legislative Councils).* House of Lords Papers. [49.] 3d.
- West African Currency Board.* Report for the period ended June 30th, 1914. [Cd. 7791.] 1½d.
- Estimates for Civil Services and Revenue Departments, 1915-6.* Memorandum by the Financial Secretary to the Treasury. [151.] 3d.

- Central Committee on Women's Employment.* Interim Report. [Cd. 7848.] 4½d.
- State of Employment in the United Kingdom in February 1915.* [Cd. 7850.] 2½d.
- Departmental Committee on Retail Coal Prices.* Report. [Cd. 7866.] 1½d.
- Shipbuilding, Munitions, and Transport Areas.* Report and Statistics of Bad Time. 220. 3d.
- Government War Risks Insurance Scheme.* Text of agreements between His Majesty's Government and the War Risks Insurance Associations. [Cd. 7838.] 3d.
- Board of Education.* Correspondence relating to School Attendance between the Board of Education and certain Local Education Authorities since the outbreak of War. [Cd. 7803.] 2½d.
- Board of Education.* School Attendance and Employment in Agriculture. [Cd. 7881.] 3d.
- Board of Agriculture and Fisheries.* Annual Report of Proceedings for 1914. Part I. Small Holdings. [Cd. 7851.] 3d.
- Local Government Board.* Annual Report, 1913-14. Part I. [Cd. 7444.] 1s. 1d.
- Friendly Societies, &c.* Report of the Chief Registrar. Part A. General Report House of Commons. [121.] 2s.
- Homeless Poor.* Metropolitan Poor Law Inspectors' Advisory Committee. Report. [Cd. 7840.] 1½d.
- Public Trustee.* Seventh Annual Report. [Cd. 7833.] 1½d.
- National Insurance Acts, 1911-13.* First Report on the work of the National Insurance Audit Departments, 1912-14. [Cd. 7885.] 2½d.
- National Health Insurance.* Reports of decisions on Appeals and Applications. [Cd. 7810.] 4d.
- Local Authorities.* Statement of Receipts, Expenditure, and outstanding Loans, England and Wales. [Cd. 7753.] 3d.
- Reformatory and Industrial Schools, Great Britain.* Report for 1913. [Cd. 7776.] 3d.

LOCAL GOVERNMENT

LOCAL GOVERNMENT AUTHORITIES AND THE WAR

THE notes that appeared under the above heading in the *Political Quarterly* No. 4 need supplementing in the light of the experience of the last six months. At the outbreak of the war it was expected that the dislocation of ordinary industry would lead to unemployment and distress. The Government urged local authorities to mitigate unemployment by undertaking new work and accelerating work in progress ; distress was to be met by the new organization of national and local relief committees. The expectations on which these schemes were based have fortunately been disappointed. After the first month or six weeks of the war the arrangements for paying war allowances, which at first were hardly equal to the sudden strain upon them, were put on a satisfactory basis, and the prevention of distress among soldiers' dependants became a matter of routine ; while 'civil distress' has steadily declined. The business organization, having survived the shock to credit given by the outbreak of war, has shown an adaptability far greater than the less highly organized business of earlier generations. By October, if not before, it had adapted itself to the new situation created by the closing of enemy markets and the cutting off of imports from enemy countries. Even industries which, like cotton and pottery, received little benefit from Government orders, and women's occupations, which had suffered more than men's, were resuming their normal activity ; in industry as a whole Government orders on the one hand and enlistment on the other have more than counteracted the falling off in demand in the normal channels of employment, and the difficulty which the country is faced with is not unemployment but a grave shortage of labour. The Board of Trade index figure of unemployment, based on trade union returns, fell to 1.9 per cent. in January, a lower figure than any recorded in the previous decade ; and the Government Committee for the Prevention and Relief of Distress found that up to December its grants in relief of 'civil distress' from the Prince of Wales's Fund amounted to only £158,266. It does not follow that the foresight and effort devoted to the prevention of suffering at the outbreak of the war were wasted. Foresight never is wasted, and the economic

dislocation caused by the war will have conferred a great though indirect benefit on society if it induces in public authorities a habit of adjusting their expenditure to meet the varying needs of employment over a period of several years. Similarly the effort expended has not been wasted, because the machinery for meeting exceptional distress which it has established may be called for any time after the conclusion of peace; the danger of economic dislocation is as great, if not so sudden, at the end of a war as at its outbreak.

The local authorities, which at the outbreak of the war were asked to provide employment, are now being asked to dispense with labour and restrict their activities. The restriction which the Government placed upon new capital issues, at the end of the year extended to local authorities as well as to industrial and commercial companies. The Road Board, which before Christmas 'made the pace', in the new year has restricted its grants to completing advances promised before the war and making new grants, 'in accordance with the view expressed by the Treasury', only where unemployment is severe; all that it can do to carry on its work of improving the country's roads is to invite highway authorities to provide for the use of improved materials in their estimates of renewals and apply to the Board for assistance, which will be given when 'practicable'. A definite statement of the Government's position was published in a circular on the 'Organization of Labour' issued to local authorities by the Local Government Board on March 11. The essential passages were the following:

'In view of the needs of recruiting and of the demand for labour for the manufacture of war materials and for the production and transport of the necessary supplies for the population, the Committee of Imperial Defence emphasize the importance of releasing male labour of high physical quality, so far as possible, from other occupations. . . . They would urge that only men who are indispensable for the work of the local authority should be refused permission to enlist; that artisans who belong to trades needed in the arsenals, dockyards, and armament factories should, wherever possible, be released and encouraged to find employment there; and that where there is a demand for labourers on the railways, in the docks, and on farms, &c., the local authority should facilitate the transfer to those employments of any men who can be spared, and who can there find suitable occupation and remuneration . . . the employment temporarily of women in place of men may be practicable . . . it becomes necessary to avoid the inception of all new works, except such as are of pressing necessity either for reasons of public health or on account of war requirements.

‘ Moreover it is essential to see that capital as well as labour is made available in the directions in which it can best further the national interests during the war, and, as you are no doubt aware, the Lords Commissioners of His Majesty’s Treasury have decided to restrict capital issues by local authorities, as well as by public companies, within the narrowest limits . . . the Board indicated their view that local authorities might properly keep open the places of officers in their employ who joined His Majesty’s forces with their permission, and the Board think that a similar view might, if the local authority were willing, apply to those persons in their employ who, in the present emergency, enter other employments . . . ’

In a later circular, issued on March 25, the Board announced further :

‘ It has now been arranged, in order to meet the convenience of local authorities and to avoid duplication of labour, that the sanction, approval or consent of the Local Government Board to any borrowing under powers conferred by Public General Acts or by Local Acts or Provisional Orders, under which such sanction, approval or consent is required, shall suffice without any further approval by the Treasury where

(a) the sanction, approval or consent has been given on a date subsequent to the 12th inst., and

(b) the money proposed to be raised is to be raised otherwise than by the issue of stock, bonds or bills.

Where a local authority hold a sanction, approval or consent of the Board of an earlier date than the 12th inst. which has not yet been acted upon, whether wholly or in part, no further action must be taken upon it without a further sanction from the Board authorizing the action, unless the money is to be raised by the issue of stock, bonds or bills, when the consent of the Treasury must be obtained instead of the further sanction of the Board.

The Treasury have further decided that their approval will not henceforth be required for the renewal or replacement by local authorities of maturing mortgages. . . . Before any application is made to the Board with a view to the immediate execution of works, local authorities should fully satisfy themselves that they can show that the expenditure cannot be avoided, postponed, or reduced. Any application should be accompanied by a statement of the facts upon which the local authority rely to prove these points.

‘ The Treasury are anxious that the attention of local authorities should be particularly drawn to the fact that economies and restrictions on borrowing are possible not only as regards new works, but also as regards works in progress.’

The Road Board issued a circular at the same time as the above, suggesting to local authorities that they defer schemes on which grants have already been promised, and asking for the

release of workmen employed on roads to assist in the improvement of roads urgently needed by the military authorities. The Local Government Board and its inspectors have interpreted strictly the requirements of the Treasury, and in their inquiries have discouraged expenditure. In the last resort, however, the Treasury has the determining voice, since its approval has to be obtained for all fresh capital issues. The veto on new expenditure is not absolute ; Mr. Lloyd George indicated in answer to a question in Parliament on March 10 that urgent needs would be considered and would weigh with the Treasury, and the Manchester Council is attempting to secure sanction for its important electricity scheme ; on the whole, however, a moratorium has been declared in local government development. In the case of labour, conferences are being held between local authorities and representatives of the Local Government Board to consider means of releasing employees ; some rural authorities had already taken steps to diminish their staff in order to lessen the shortage of labour in agriculture. It is a drawback of the English decentralized state, with its system of representative local government, that unified action in a crisis throughout the country is less easily secured than in a bureaucratic state ; in the present war, however, the country has had no serious reason to grumble, and the wide diffusion of initiative that decentralization encourages has been of the utmost value in the task of improvising an army on the continental scale. An incidental result of the country's need of men may be, as suggested in the circular, an increased employment of women in local government services. Experiments are being made in this direction—Glasgow has even appointed women tram-conductors ; should these experiments be followed at all widely, the results will probably be permanent, since there are many services from which women are at present excluded on no ground except that of custom.

The problem, therefore, before local authorities is not to find employment for the unemployed, but to maintain an efficient service with a depleted staff and a sudden check upon all extensions. In two directions only is advance possible. The work of town-planning involves no expenditure of capital and the employment of comparatively few men. It was, therefore, quite apart from local circumstances, a suitable object for Mr. Samuel to suggest for the attention of an active municipality like Bradford during the war. Moreover, the check to building which the war has brought about favours that calm consideration of the future which town-planning requires. The same considerations give point to the appeal that has been made by a Committee representa-

tive of the architect's profession and the different societies interested in town-planning to the Committee of the Prince of Wales's Fund for a grant in aid of a series of civic surveys.¹

The second direction in which advance is possible is in the extension of the new public health services—especially those which have for their object the better care of infants and school-children—for which grants were provided in the last budget. An advance in this direction will involve new expenditure, but a part will be met by new exchequer grants, and the capital expenditure is not heavy. The need of such services is being emphasized by the war, and has already been recognized in Bradford and Manchester; their character is brought out. Advance in both these directions can be sure of the approval of the central Government authorities. In answer to questions in Parliament ministers have stated that capital grants will continue to be made for sanatoria (for institutional treatment under the Insurance Acts), and that provision is being made in the estimates for a grant in aid of nursing and for a repetition of the grant to education authorities in necessitous areas. Housing was the 'urgent need' which the Chancellor of the Exchequer said would weigh with the Treasury; and the Local Government Board has throughout the war kept the importance of public health before the country.

¹ The Committee's memorial is printed in the *Municipal Journal* of March 12. The chief points of such a survey may be of interest: For each area a series of graphic diagrams should be prepared showing for the whole area and for separate districts—

1. Physical characteristics of the area.
2. Vital statistics as to death and disease for, say, fifty years.
3. Density and growth of population.
4. Provision of playing-fields, recreation grounds and parks, and centres of recreation.
5. Character and growth of industries.
6. Extent to which present traffic needs are met, and forecast of probable future requirements.
7. Conditions under which housing areas have been developed in the past, and a comparison with newer views in the laying out of building estates.

LOCAL GOVERNMENT FINANCE

THE chief point at which local authorities are feeling the strain of the war is in their finance. The strain at this point can be understood only if the situation on the eve of the war is recalled. Local expenditure had increased in the new century at a far greater rate than the value of the property on which local taxation is levied; increased grants from the Central Government were, by the admission of the Government itself, as well as by the findings of a Royal Commission and a Departmental Committee, overdue; rates had everywhere risen and were still rising; and a crisis had been postponed in many places, or at any rate a serious check to the progressive adaptation of local services to public need avoided, only by large contributions in relief of rates made by municipal trading undertakings. The terms on which the largely increased exchequer grants should be made had not been settled, when the war broke out and postponed them indefinitely. It is under these circumstances that local authorities have been called on to face an increase in expenditure and a falling off in income, which could not possibly be foreseen and provided for; and it is at a time when the classes chiefly affected by the rates—shopkeepers and workpeople—are feeling loss from decreased trade and increased prices, that they are forced to raise rates by as much in many cases as a shilling in the £.

The increase in expenditure due to the war comes under a number of heads. The most important are allowances to employees who have joined the colours or to their dependants; payment of increased wages or war-bonuses on account of the rise in the price of living to employees who remain, which amounts to the equivalent of a $2\frac{1}{2}d.$ rate in Leeds and Bradford, and more in some places; rise in the cost of important materials, especially coal and road-making materials; and the wages of substitutes taken on in place of men who have enlisted. Further, the substitution of a large number of new and in most cases less efficient employees for experienced men is a cause of dislocation and loss. The falling-off of income, if not so great as the increase in expenditure, is serious, especially in the larger towns. There has been little leakage so far in the collection of rates; it is in the contribution that trading undertakings are able to make in relief of rates that the falling off is chiefly found, that is to say, just in the element in local finance that saved the situation before the war. In a few cases there has been no falling off; Birmingham, for example, has been forced to anticipate an extension of its electricity works

in order to meet the great increase in the demand for electricity for power purposes by firms engaged on war orders. As a rule, however, increased expenses due to the influences enumerated above have been accompanied by a falling off in receipts. Gas and tramways have been the greatest sufferers; the experience of one of the largest municipalities, Manchester, is probably not untypical. The Gas Committee began the year with an estimated deficit of £29,000, which they hoped would be met by the increased consumption of gas at a low price. As a result of the war, coal is costing £70,000 more for the year, oil £10,000 more; allowances to employees with the colours cost £20,000, and a war-bonus to employees £10,000; while the most important of their residuals, pitch, of which they hold 12,000 tons a year, fetches only 10s. a ton instead of the £2 to which they were accustomed. The experience of the Tramways Department is similar. Instead of the normal annual increase in income of £25,000, there has been a falling off; the actual income was about £900,000 as against an estimated £950,600. The falling off was confined to the eight months of the year after the outbreak of war. Allowances to employees with the colours or their dependants were at the rate of £44,876 per annum, and the wages of substitutes had to be paid in addition.

Under the circumstances a general increase in rates is inevitable; various devices are suggested to avoid or minimize the rise. Inevitably a portion of the increased expenditure is being met by indirect taxation in the form of increased charges. In the instances quoted above, the Tramways Committee proposed to contribute in relief of rates the £100,000 originally estimated, and to balance the year's accounts by placing to the renewals account only £50,000 instead of an estimated £102,000; although the account was drawn on to the extent of £90,000. The Gas Committee proposed to maintain their contribution in relief of rates, but to raise the price of gas by sixpence a thousand feet; this latter proposal was, however, referred back by the Council. In Birmingham it is anticipated that an increased expenditure of £155,000 will be met, as to £110,000 by the increase in yield of rates due to a recent re-valuation, as to £45,000 by new water-charges. Of course local authorities are practising all possible economies—and the war may have a permanent effect by revealing unsuspected possibilities of economy; but no savings have been found possible on a scale to counterbalance the increase in expenditure. Expenditure has been checked, as was shown above, not only on projected but on current schemes for housing, water-supply, sewage disposal, &c. Such postponement of expenditure, however

does not meet the situation, since it would in any case have been met by loans, being of the nature of capital expenditure ; indeed so far from easing the situation, this Treasury veto on new expenditure aggravates it, since it is in some cases preventing extensions to meet a growing demand, which would have been almost immediately profitable.

Another proposal that has been pressed is the suspension of sinking funds, or more accurately, of debt-redemption. On the face of it, it is absurd, if current expenses can be met only by borrowing, to borrow while the rate of interest is high in order to continue paying off loans contracted at a lower rate of interest. Municipal loans, however, unlike the National Debt, are largely raised for and charged on remunerative undertakings, and sound finance requires that the prices or rates obtained for the services of these undertakings should be so fixed as to cover these charges. Moreover, questions of method or form as well as questions of substance are important in finance, and the soundness of municipal credit is due to some extent to the practice of maintaining under all circumstances a sinking fund. Pitt, one remembers, thought that the country's credit gained by maintaining his sinking fund more than the Exchequer lost by the expense of it. It is not yet clear, however, that additional borrowing will have to be resorted to in order to meet current expenses and maintain sinking funds.

Present exigencies have had something to do with bringing into more frequent use another financial device, supplementary to the ordinary methods of raising loans, which was attracting attention before the war. This is the raising of large amounts of money for short terms by the issue of bills. The Local Government Board has had before it recently applications from Birmingham, Bradford, Liverpool, and Birkenhead for power to increase the amount they may have outstanding on bills at any moment. The economy of the method was shown by the Bradford Treasurer in supporting his application. The corporation used its powers to issue bills for the first time in February of last year, when it issued bills for £100,000 payable at six months at £2 3s. 6d. per cent. per annum ; a similar amount was obtained in April at £2 per cent. At both dates the corporation was taking up loans upon mortgage at $3\frac{1}{2}$ to $3\frac{3}{4}$ per cent. The war has of course raised rates, but even so loans at much less than the 4 to 5 per cent. payable on long-term loans can be obtained ; Liverpool, for example, succeeded in getting £1,000,000 of six months' bills taken up in October at 5d. over $3\frac{5}{8}$ per cent., and met them when they fell due by issuing a similar amount at 2d. over $3\frac{5}{8}$ per cent. ; but

for a sharp rise in discounts caused by the action of the Bank of England, the second issue would probably have been taken at well under 3 per cent.

It may help to an understanding of the situation in local government finance, if a summary of the financial position before the war be given. Part VII of the Local Taxation Returns for 1911-12 (the last published) indicates the general financial position of local government authorities of the country as a whole. The receipts in that year of the 25,453 local authorities in England and Wales amounted from all sources except loans to £136,288,565. The sources were :

	£	%
Public rates	66,368,704	= 48·7
Exchequer grants (including local taxation duties)	22,269,629	= 16·3
Gas, water, and electricity supply, tramways and light railway undertakings	27,548,787	= 20·2
Harbour, dock, pier, canal, and quay undertakings	7,565,764	= 5·6
Other sources	12,535,681	= 9·2

To raise the public rates, an average rate of 6s. 5·06d. was levied, being an increase of ·9d. on the previous year and of 1s. 1d. since 1901-2. The average payment in rates per head of estimated population was 36s. 8d., being an increase of 3d. on the previous year and of 8s. 2d. since 1901-2. While rates had increased since 1901-2 by thirteen pence in the £ or 8s. 2d. per head, Exchequer contributions had increased by only 4s. 7d. per head, the equivalent of an eightpence-halfpenny rate.

The chief objects of expenditure were :

	£	%
Education	29,700,273	= 22·2
Electric lighting (other than public lighting).	4,215,424	= 3·1
Gasworks	7,295,889	= 5·4
Harbours, docks, piers, canals, quays	7,313,179	= 5·5
Highways, bridges, ferries, tunnels (excluding lighting)	15,051,422	= 11·2
Lunatics and lunatic asylums	3,954,283	= 3·0
Parks, pleasure grounds, and open spaces	1,450,243	= 1·1
Police and police stations	7,224,429	= 5·4
Poor relief	11,883,596	= 8·9
Sewerage and sewage disposal works	4,873,208	= 3·6
Tramways and light railways	8,643,401	= 6·5
Waterworks	5,721,189	= 4·3

During the same year loans were raised to the amount of £17,750,064, which brought up the total of loans outstanding

to £556,571,139. The annual loan charge amounted to £31,417,059. The objects in respect of which the loans were outstanding were as follows :

	£	%
' Trading ' undertakings (i. e. baths, cemeteries, electric lighting, gasworks, harbours, docks, piers, canals, quays, markets, tramways, light railways, waterworks) .	307,437,108	= 55.3
Elementary education (including industrial schools)	43,517,852	= 7.8
Higher education	6,731,247	= 1.2
Highways, bridges and ferries, sewerage, and sewage disposal works.	107,494,319	= 19.3
Other purposes	91,390,613	= 16.4

The gross value or estimated rental of the rateable hereditaments in England and Wales was £272,249,125, the total rateable value £218,588,250. Since £23,793,148 represented the rateable value of agricultural land, the total assessable value was £206,691,676.

EDUCATION AUTHORITIES AND THE WAR

The notes that appeared under the above head in the last issue of the *Political Quarterly* need supplementing on two points: the greatly increased demand for school buildings by the military authorities, and the movement for the employment of children of school age.

In all big centres of population the military authorities are requisitioning buildings for hospitals. In London the schools in the neighbourhood of the large hospitals are being used as extensions ; in Manchester recent requirements have affected five elementary schools and displaced eight thousand children ; everywhere school premises seem to be the first thought when new buildings are wanted. The financial conditions on which the school premises are taken over are stated in a circular (892, March 20) issued by the Board of Education. The Army Council are prepared, in addition to bearing the cost of reinstating the school premises at the end of their military occupation, to make good any additional expenditure that may be incurred by education authorities, with the approval of the Board of Education, in providing educational facilities elsewhere. By ' additional expenditure ' is meant the amount by which the expenditure of the local education authority is increased by reason of the military occupation of the premises. No rent or loan charges on the buildings will be paid ; no compensation can be allowed for

inconvenience or the fact of compulsion. The Army Council express their appreciation of the readiness with which their demands have been met by education authorities and other buildings placed at the disposal of the authorities for the displaced children.

This action of the military authorities has placed education authorities in a difficulty, which they do not, of course, resent. It is difficult to find suitable buildings to take the displaced schools. A school-building fits, or should fit, its school, like a garment, and to put the school into another building which does not fit, is to break up the school's organization; a school that was a mere aggregation of individual children, who could be redistributed in other groupings without educational loss, would be no true school. The suggestion has been made that the opportunity should be taken of extending the provision of open-air education; but open-air education requires its special buildings, slighter perhaps than the ordinary school-building, but still requiring an expenditure of time and money which is not at the moment possible. The shift system, by which a displaced school is housed in a building already occupied by another school, is obviously unsatisfactory; if it had been possible to secure anything approaching satisfactory educational results from it, its obvious economies would have led some authorities to adopt it long ago. The Army Council's action is an emergency measure, and the emergency is a great one. It is not obvious, however, that all possible alternatives have been exhausted before resort was had to school-buildings—and the schools should not be commandeered until other resources have failed.

The employment to school-children, although it affects a much smaller number of children, is a far more important matter. Requests have poured in from agriculturists and manufacturers to school-attendance committees, from school-attendance committees to education authorities, and from education authorities to the Board of Education, to 'temporarily amend the school-attendance by-laws', to 'grant school exemption to children over 13', to 'suspend the enforcement of school-attendance by-laws', or by any other means to facilitate the employment, full-time, of children who are legally bound to attend school. The ground of the requests is the scarcity of labour, owing to enlistment, especially in agricultural districts.

The reply of the Board of Education has been throughout that it has no power to suspend the operation of those sections of the Education Acts under which school-attendance is compulsory, or to approve of any alteration in local school-attendance by-laws which would bring them into conflict with those sections. As

long ago as September, in answer to a question in Parliament, the President of the Board stated, 'I have no power to suspend the operation of the law of school-attendance without legislation.' In making this statement he was merely asserting the most elementary principle of the English constitution, the 'Rule of Law', the rule that all governmental action must be in accordance with law and all changes in governmental action must be effected by a change in the law. A striking feature of the published correspondence between the Board and local education authorities (Cd. 7803, 2½*d.*) is the way in which the local authorities ignored this principle and seemed to expect that the Board could exercise at discretion a power of suspending or altering statutes, whenever the working of some statute became inconvenient. (The justices of the peace of Sittingbourne Petty Sessional Division have not the same scruples as Mr. Pease and the Board. When the local school-attendance committee proceeded before them against eleven parents for neglecting to send their children regularly to school, 'the justices called the defendants into court, and without hearing any evidence, dismissed all the cases, stating that they did so owing to the national state of affairs'. They assumed quite cheerfully a power of 'dispensing' people from obedience to the laws, the assumption of which cost James II his crown. That they are not alone in this view of their powers is shown by the statement in the same correspondence of the secretary of the Pontypridd Education Committee: 'The experience of this Committee is that, notwithstanding the interest of the justices in educational work, they have, for some years, naturally disliked the idea of fining parents whose children are approaching their fourteenth birthday, with the result that this Committee has, for some considerable time, abandoned police court proceedings in such cases.')

While they refused to assume a dispensing power, the Board of Education indicated a means by which, without breach of the law, children of school age could be employed. Their answer to the Leicestershire authority explains their view:

I am directed to state that the Board of Education have no power to override the general law with regard to school attendance and the employment of children. I am, however, to point out that a local education authority is under no obligation to take proceedings in respect of the non-attendance of children at school if they are satisfied that there is a reasonable excuse for non-attendance, and the Board have no doubt that in the present emergency local education authorities will exercise a reasonable discretion in any case where it is really essential to utilize the services of children of school age in agricultural operations.

It has been suggested with much force by Mr. A. J. Mundella that the Board has misrepresented the law. It is true that a local authority can accept a 'reasonable excuse' from a parent for the absence of a child from school, and may exercise its discretion as to prosecuting; the provision was included in the Act to cover absence through sickness, &c. But there seems to be no doubt that the *employment*, as distinct from the *absence* from school, of a child who has not reached the standard of attainment or attendance definitely prescribed by law is an offence for which the local authority is bound to prosecute. In other words, while the local authority can exercise its discretion whether it will prosecute a *parent* for the absence of a school child, it can exercise no discretion in the matter of prosecuting an *employer* who employs a school child; if the local authority fails to fulfil their duty, 'the Board of Education may, after holding a local inquiry, make such order as they think necessary or proper for the purpose of compelling the authority to fulfil their duty' (section 16 of 1902 Act).

However, twenty counties or more have availed themselves of the Board's interpretation of the law. The Prime Minister stated in the House on March 4 that the Government had received returns from two-thirds of the counties of England and Wales, which showed that between September 1 and January 31, 1,152 boys and 42 girls had been allowed to leave school for agricultural employment. The usual procedure has been for the county education authority to pass a resolution instructing or advising school attendance committees to treat agricultural labour as a 'reasonable excuse' for the non-attendance at school of children over a certain age. The Board of Education has sought to prevent a general relaxation of existing school-attendance rules, and has laid down five conditions which should be satisfied before attendance is excused. These are briefly: (1) the employment of children of school age should be regarded as exceptional, and be permitted only where the authority is satisfied that no other labour is available; (2) local authorities should satisfy themselves that all reasonable efforts have been made to secure adult labour, *especially by the offer of adequate remuneration*; (3) every case should be considered on its merits; (4) the employment should be light and suitable to the child; (5) permission, if given at all, should be given for a definitely limited period. The last condition, it will be noticed, by implication asserts the right of local education authorities to dispense people from obedience to the laws. Moreover, while a 'general relaxation' is formally prevented, the farmers and others who wanted child labour can get it, since it is not clear how the Board can prevent them, if education

authorities and school attendance committees choose to set free for employment *all* the children who would be affected by a general relaxation.

The principles which the Prime Minister applied to this problem in Parliament on March 4 are on the face of them sound. 'He did not think they ought to be bound, in a great national emergency like the present, by any pedantic regard for the rules, conventions, and usages which had rightly prevailed where the circumstances were normal. He did not in the least rule out as a thing that ought to be dismissed as beyond the pale of political or statesmanlike consideration the employment of boy labour. It was a question of degree and of relative expediency, how far and to what extent it should be resorted to as one of the means of supplying the deficiency in labour.' All this is true and is generally admitted; but what is in danger of being overlooked, although it is quite consistent with the Prime Minister's position, is that an important principle is at stake. The right of the child to the very modest education which the Education Acts secure him—how modest, the Board brings out in the correspondence quoted above—has only secured legislative recognition as the result of a long and difficult struggle. It is this right which is *in principle* being sacrificed, and the important question is whether the services of 1152 boys and 42 girls are worth the sacrifice. The school attendance laws derive their importance not from the schooling the children get, but from the resistance they offer to the tendency of the modern economic system to exploit the weak. The sacrifice may be necessary in the present national emergency; let us make sure, before we make it, that it is. It should be remembered that any work that children fresh from school can undertake is within the scope of any adult. It is the dull or backward child, not the bright child, for whom exemption is asked. A child that is able to attend school regularly is easily able to put in the required minimum of attendances and so in most cases leave school at 12 or 13; a child that has attained the very modest elevation of Standard V (in some counties) can leave before 14. Again, in the agricultural counties that have grasped most eagerly at the possibility of child-labour—Oxfordshire has commended to the favourable consideration of school attendance committees the freeing of boys of eleven!—the shortage of labour is neither due to the war nor is it likely to be temporary. Labour was scarce before the war, because the conditions and remuneration of labour were not such as to hold or attract labour; and it is extremely unlikely that those who did put up with the conditions and remuneration until they enlisted will be willing

to put up with them after the war ; they are much more likely after their experience of the army (including the experience of being well fed) to emigrate to Canada or the towns. Farmers have not a good record as friends of working-class education ; and educationalists cannot be blamed if they fear that under the circumstances a temporary lowering of the school age may become permanent. Finally, the second of the Board of Education's conditions, the attempt to secure adult labour by the offer of adequate remuneration, has received little attention. Education authorities who wish to meet any possible need that may arise from the national emergency, and at the same time to relinquish none of their hardly won ground in the fight for the child, can do so by making it a condition of the employment of any children of school age that adult wages for agriculture shall have first been raised to the level of labour of the same skill and intensity in industrial occupations. No case has so far been reported in which such a condition has been adopted.

LONDON ELECTRICITY SUPPLY

The scheme put forward last year by a special committee of the London County Council for the unification of electricity supply in the Greater London area (described in the *Political Quarterly* for December 1914, p. 209) has for the moment fallen to the ground. The proposers failed on February 2 to obtain the requisite majority for the statutory resolution that a Bill be promoted in Parliament to give effect to the scheme. The circumstances of the time are of course unfavourable to such a scheme ; in any case the Treasury veto on new capital expenditure would have postponed the initiation of new work until after the war. Under any circumstances, however, the opposition to the scheme as put forward would probably have been too strong for it. It came in the main from two quarters, from the ' high and dry ' advocates of municipalization who objected to company operation of the proposed plant, and from the local authorities, County Councils outside the London County area and Metropolitan Borough Councils within it, who would have had their activities or powers curtailed by the scheme. It was directed in the main against two features of the scheme, the provision that the new authority should have the power to control and limit the future development of existing undertakings, and the constitution of the new authority itself. The chief objections raised against the constitution of the new authority were that it gave no

representation to Metropolitan Borough Councils, and that it reserved an absolute majority of places for the representatives of the London County Council.

The opposition is easily understood, and it is a sign of health in local government authorities to resist any curtailing of their activities. It is not an equally healthy sign when they stand in the way of a new authority which offers a practical scheme for performing a piece of work which they have neglected in the past ; and the existing electricity supply authorities have not by combination or co-operation brought about that unified action which is necessary, if the advantages of the London area are to be utilized. None of the objections brought against the special committee's scheme touch its essential basis. That basis is technical. The experts, on whose report the committee based their proposals, showed the unique possibilities of Greater London as a field for electricity supply ; they stated that it was essential, in order to realize these possibilities, to concentrate production, standardize distribution, and, ultimately though gradually, amalgamate all undertakings in the area. The special committee were concerned merely to devise constitutional machinery which would enable the technical recommendations to be acted on. Exclusive municipal control and exclusive company control had both failed to obtain parliamentary sanction in the past ; they therefore adopted a compromise between the two, involving a minimum disturbance of existing arrangements while ensuring that all future developments should be in the direction of the (technically) ideal system. Their experts may have been wrong ; but the opponents of the scheme have not attacked its technical grounds, and it was only *after* they had decided to oppose the scheme that the neighbouring County Councils decided to consult experts themselves. No alternative constitutional machinery has been indicated that will secure the technical ends aimed at ; though, of course, the special committee's scheme is not the only one that could be devised. The constitutional problem involved is once again the problem of the area ; the area which is suitable for one purpose of local government is unsuitable for another, and independent authorities find it difficult to work together.

The special committee is still in existence. It has invited the comments on the problem of the other authorities affected, and its chairman has in public expressed the hope that some arrangement may be reached which will enable the scheme to be proceeded with.

PASSENGER TRANSPORTATION IN LARGE CITIES

In the *Political Quarterly* of December last a report on traffic congestion prepared for the Manchester Watch Committee was reviewed. That report was one of three which the Manchester City Council instructed its Watch Committee, Tramways Committee, and Improvements Committee to present; the report of the general manager of the tramways on 'The Passenger Transportation Problem' is equally interesting and important. The problem that led the Manchester Council to initiate these inquiries was the problem of dealing with the serious and growing congestion of traffic in the centre of the city. Mr. McElroy, the tramways manager, has dealt with a different though related problem, the present and future needs of the Manchester district in the way of facilities for passenger transport. The two problems must be considered concurrently, not only because the existing system of passenger transport contributes to traffic congestion, but also because any solution of the traffic problem that disregarded the city's needs in the way of passenger transport might create more inconvenience to the public than it relieved.

The problem of providing adequate facilities for passenger transport, like the problem of traffic congestion, increases in difficulty and expense out of all proportion to the growth of population. A German student has suggested that the number of journeys made increased as the square of the population; Mr. McElroy produces statistics to show that the increase in journeys made is really much greater. The main factor in the problem is the same in every city. 'There is a constant migration of the population from the inner to the outer zones, and this is greatly accelerated by every extension and improvement in the means of transit. . . . Every extension of the means of transit into the outer zones adds to the difficulties of handling the traffic in the central zone.' The ordinary railways can contribute something, especially if their local services are electrified, but they cannot solve the problem; the distance between stations, the comparatively infrequent services, and the comparatively high charge per mile, all impose grave restrictions on their usefulness for urban transit. Manchester is better supplied with suburban railway services than most cities; this fact has not prevented an enormous increase in the use of trams, an increase so great that on some routes the service has reached 'saturation' point. Even if the congestion of traffic in the centre of the city had not raised the problem, an inquiry into the possibilities of the tramway system and the best method of improving,

supplementing, or displacing it, was urgent; in order, in the words of the report, 'to ensure that whatever steps are taken to meet the immediate difficulties they should be part of, or complementary to, a comprehensive scheme for dealing with the transportation requirements of the city and the surrounding districts for many years to come.'

To assist them in their study of the problem in Manchester Mr. McElroy and the chief civil engineer of the tramways department visited a number of large cities in America and on the Continent, and London and Glasgow in the United Kingdom. The account they give of American practice is of interest apart from the problem of passenger transport, as illustrating the American system of handing over important departments of municipal work to small, permanent, semi-technical commissions, which are given a very free hand; the system seems to result in a statesmanlike and far-sighted handling at any rate of the transportation problem. Apart from this constitutional point, foreign experience was of particular value as bringing out the distinction between *surface transit* facilities (i. e. tramways, motor omnibuses, and trackless trolleys) and *rapid transit* facilities (including surface lines on private rights of way, elevated lines, lines in shallow subways, 'tubes', and lines in open cuttings), indicating the possibilities and limitations of each, and emphasizing the necessity of co-operation between them. The more important lessons drawn from the investigations abroad and in Manchester are summarized as follows:

1. That in all cities and towns there is an immense potentiality in the riding habits of the people. Everywhere there is a continual growth in the number of journeys per head of population, and the provision of new or improved transit facilities accelerates this growth in a very marked degree.

2. That in planning city transit facilities a wide outlook is all-important; any schemes carried out on narrow or confined lines ultimately result in serious losses to the community from every point of view.

3. It is essential that every city should have a permanent authority directing the initiation and carrying out of all schemes for new transit facilities, in order that there may be continuity of policy, and that future needs of the city and of surrounding districts over a wide area are properly looked after. It is also desirable that all the means of passenger transportation—both surface and rapid transit—should be centralized under one management. If the management is not that of the city itself, then it should be subject to control and regulation by a permanent authority appointed by the city.

4. That, in planning underground lines for rapid transit, the

aim should be to *supplement* the surface-transit facilities ; that the rapid-transit lines should be laid so as to follow as closely as possible the direction of the flow of the greatest volume of traffic ; and the surface lines should be adapted so as to act as feeders to the rapid-transit lines at all convenient points.

5. That, on account of the great initial cost, the construction of underground rapid-transit lines cannot be justified unless there is a very large volume of traffic to be dealt with ; that, speaking generally, underground subways for cars are an unjustifiable expense, owing to the comparatively small number of passengers it is possible to pass through them by single or double-unit cars. Underground lines, if they are to be placed upon a paying basis, must be worked by high-speed *trains* operated at a very close headway. This demands a great density of traffic.

6. That motor 'buses have proved themselves to be an exceedingly valuable means of surface transit—especially under conditions such as exist in London and Paris ; but the question of their general adaptability for conditions which exist in other cities, and the part they will play in the future, either in supplanting or supplementing the existing tramway facilities, calls for a careful analysis of their advantages and disadvantages from the local point of view.

The study of traffic statistics and foreign practice, however, is only of use, if local conditions receive careful consideration. Each town has its own transit problem, and no ready-made solution exists that can be applied in every case. The report proceeds, therefore, to an analysis of Manchester conditions and a forecast of Manchester developments. This analysis reveals an enormous increase in the 'riding habit', and points to a further increase in the next twenty years of journeys per head per annum from 201 to 300, which, if the present growth of population be maintained, will give a total number of passengers carried per annum on the Manchester and Salford systems of 450,000,000, as against under 260,000,000 to-day. For purposes of comparison it may be added that the number of passengers carried in Greater London by all methods in 1910 was 1,566,000,000. Some portions of the Manchester system have already reached 'saturation' point, i.e. it is impossible by existing methods to transport more passengers over them. Although the time has not yet arrived for the provision of new rapid-transit facilities, the time is approaching ; it may be hastened by the desire for more rapid travel ; and it is necessary for the city to consider and elaborate schemes for such facilities against the time when they have to be provided. So far as such consideration has gone, it points to a cost per mile of from £500,000 to £700,000. The possibility of motor 'buses supplanting trams is also considered and set aside ; the report in this

respect supports with Manchester examples the conclusions reached in the Bristol inquiry referred to in the local government review in the *Political Quarterly* of September 1914, and emphasizes the point made there, that London experience is exceptional.

The tramway system then remains, and is likely to remain for as long a period as it is practical to look ahead, the basis of the city's passenger transport system. It can be supplemented by rapid-transit facilities in those directions in which the density of traffic makes such expensive facilities economical, and by motor 'buses and trackless trolleys where the population and traffic are not dense enough to justify the expense of a permanent tramway. Apart from such supplementing the tramway system is capable of improvements, which will not only relieve traffic congestion in the centre of the city, but also increase the capacity of the system as a whole to serve the needs of the district. The most important of these suggested improvements are two: (1) the provision of additional arterial routes, by the cutting of new streets and the widening of existing streets; and (2) the provision of tramway terminals in or near the centre of the city. The first improvement would relieve the congestion of traffic on certain main outlets of the city, and at the same time enable the tramway system to give increased facilities in the directions where they are called for most; the second would enable the management to dispense, without greatly inconveniencing the public, with certain through routes, and so relieve congestion in the centre of the city where it is worst; both would enable the service as a whole to be accelerated, and are needed to relieve the existing strain on the system.

The detailed proposals under these heads are of local interest only, and can be understood only with the aid of maps or local knowledge; a few people outside Manchester may be interested to learn that one of the terminals proposed is the old Infirmary site. Of wider interest is the suggestion that the Tramways Committee should contribute out of profits to the cost of the street improvements needed to carry out the scheme, to the extent if necessary of £1,000,000. Such a contribution will be impossible if the Council insists in the future, as it does at present, on a contribution in relief of rates of 5 per cent. on the capital expended on the system. If, however, the Council will rest content with the £100,000 per annum which it receives at present, and will require no drastic reduction of fares (they are already the lowest in the country), then the management should be able to make this large contribution; it would raise the money by borrowing, and its surplus income would be enough to pay the fixed charges and gradually extinguish

the debt. The proposal is important, not merely as a proposal to allocate a particular portion of the Corporation's revenue to a particular object, but as a proposal to allow the Tramways Committee sufficient independence and control over their resources to take a long view of the needs and possibilities of their system, and to shape their policy in accordance with that view. Whether the Manchester experiment is made or not, it is a problem which English local government has to face ; how to secure without any sacrifice of popular control the ' long view ' and the continuity of policy, which the American ' commission ' system secures at the expense of popular control. Another problem of local government emerges in this, as in so many other inquiries, the problem of the area. The problem of passenger transportation is not a Manchester city problem, but a Manchester district problem ; the report, therefore, points to and recommends concerted action between the Manchester authority and the Salford authority.

REVIEWS OF BOOKS

An Essay on the Civilizations of India, China, and Japan. By G. LOWES DICKINSON (Dent & Sons, 1914, 1s. 6d. net).

In giving to the report of his travels as a Fellow of the Albert Kahn Travelling Fellowship the form of reflections on the general spirit and character of the civilizations of India, China, and Japan, and the apparent and probable effect upon those civilizations of contact with the West, Mr. Dickinson may be said to have indulged not only his own taste, but that of his readers. It is a subject which lends itself in a peculiar way to the author's power of handling ideas and of appraising human values, and it need hardly be said that it is treated with his accustomed skill of presentation and distinction of thought. Rarely has what is admittedly an impressionist sketch of the culture and civilization of a people succeeded in revealing so much of the heart and soul of the people themselves: brief as these studies are, they could hardly be more intimate or more penetrating, or afford a better justification (if any were wanted) for the Foundation which made them possible. No one, for example, who has not travelled in the East can appreciate the full significance of the two observations from which Mr. Dickinson sets out—that the East is far from presenting the unity or uniformity of type implied in the familiar antithesis between the East and West, and that the real antithesis is between India and the rest of the world. His summary of the perplexed and perplexing situation in India is an admirable as well as a characteristic example of his method and point of view.

‘I find in India a peculiar civilization, antithetical to that of the West. I find a religious consciousness which negates what is really the religious postulate of the West, that life in time is the real and important life; and a social institution, caste, which negates the implicit assumption of the West, that the desirable thing is equality of opportunity. I find also that in India the contact between the East and West assumes a form peculiarly acute and irritating, owing to the fact that India has been conquered, and is governed by a Western Power. But the contact, none the less, is having the same disintegrating effect it produces in other Eastern countries. And I do not doubt that sooner or later, whether or no British rule maintains itself, the religious consciousness of India will be transformed by the methods and

results of positive science, and its institutions by the economic effects of industrialism. In this transformation something, of course, will be lost. But my own opinion is that India has more to gain and less to lose by contact with the West than any other Eastern country.'

The only criticism that suggests itself is that Mr. Dickinson tends perhaps to minimize both the difficulty and the loss involved in the transformation, and that the India he describes is, and from the nature of the case must be, something of an abstraction.

He is, of course, fully sensible of the tentative and hazardous nature of any conclusions that can be reached on such a vast and complex problem, but there is certainly no country in the world that lends itself less easily to generalization than India. The contrasts within India are at least as striking as the contrasts without it. In his description, for instance, of what he rightly regards as the dominant note of India, its religion, Mr. Dickinson confines himself expressly to Hinduism. On the other hand, in his description of the disintegrating effect of modern influences, he draws a sharp distinction between the educated classes of India and what is often spoken of as the real India—the India of the peasants—which remains unaffected by the new wine of Western ideas; and this India, again, must be contrasted with industrial India in any estimate of influences that tend to the undermining of caste. Any generalization, moreover, which does not allow for the contrast between different parts of India, more particularly Northern and Southern India, is at least precarious. Mr. Dickinson lays stress on the growth of 'an Indian self-consciousness, a feeling of nationality'; but this is rather an elliptical phrase and needs some analysis. In some ways the growth of what may be called a communal self-consciousness is quite as significant as the development of 'pan-Indian' sentiment, and is perhaps both wider and deeper. The Arya Samaj movement, again, while it is certainly nothing if not intensely national, has not made any way outside a certain part of India, and it is in the opinion of many Indian statesmen at once too aggressive and too reactionary to form the basis for a national movement. The element of individualism, of the claim for equality of opportunity, that enters into the demand of 'India for the Indians' is also a factor that must be taken into account. Mr. Dickinson admits elsewhere that the antagonism between the Hindu and Mohammedan community is an important factor in the Indian situation; but the Mohammedan community (as also the native States) may be said to fall out of his picture of India. On the

other hand, a picture cannot be made without selection : and the features which Mr. Dickinson has selected are sketched with a master hand.

The author evidently feels more at home and may be said to have found his spiritual affinity in China, the human. 'India was sublime, but it was terrible. China on the other hand was human.' He takes, moreover, a more hopeful view of its future. Like many observers, he believes in the Chinese people if not in the Chinese nation. He admits that there is 'some dislocation between their convictions and their character' in Young China ; that the Chinese have never been united by a common political consciousness, and that their social organization has rested not on the central government, but on the family, and he might have added the clan. On the other hand, he thinks that, though there is no strong national feeling in China, there is a basis for such feeling 'more real and more powerful than anything that seems to exist in India', and that it does not follow from the absence of a national self-consciousness that China is incapable of acquiring a political sense or of working a constitution. For this desirable consummation he looks mainly to the development of education and to the fact that the Chinese are the most educable of people. This is perhaps not the only indication in Mr. Dickinson's essay of what Mr. Wallas would call the 'intellectualist bias' in political reasoning, and perhaps some allowance should be made for this bias in a general estimate of his political conclusions.

Mr. Dickinson's account of Japan is less distinctive, and perhaps also less sympathetic. He shows how the very success of modern Japan is undermining the basis on which that success rests ; and concludes that Oriental tradition and Western culture 'are at grips in Japan more intensely than in any other country' : though he significantly adds that 'in Japan alone the issue of the conflict will be determined by the people themselves and not by the pressure of foreign Powers'.

Mr. Dickinson sums up his reflections on the reaction between East and West in a pregnant conclusion that is deserving of more attention than the world is accustomed to pay to the predictions of political philosophers.

'I should look, therefore, for a redress of the balance in the West, not directly to the importation of ideals from the East, but to a reaction prompted by its own sense of its excesses on the side of activity. And on the other hand, I expect the East to follow us, whether it like it or no, into all these excesses, and to go right through, and not round, all that we have been through on its way to a higher phase of civilization. In short, I believe

that the renewal of art, of contemplation, of religion, will arise in the West of its own impulse ; and that the East will lose what remains of its achievement in these directions and become as "materialistic" (to use the word) as the West, before it can recover a new and genuine spiritual life.'

In this notice I have confined myself to the political aspects of Mr. Dickinson's essay ; but it need hardly be said that this by no means exhausts the range or the interest of his observations upon more fundamental aspects of Oriental culture. They are all the more relevant because they are emphatically the observations of a man of culture in the sense of that 'impassioned reflection on life' which Mr. Dickinson describes as the essence of what he means by culture.

SIDNEY BALL.

The Law of Associations, Corporate and Unincorporate. By H. A. SMITH (Clarendon Press, 5s.).

This little book is a notable achievement. Fourteen years ago Maitland wrote, 'Let us try to imagine—we are not likely to see—a book with some such title as English Fellowship Law', and proceeded to detail the wealth of group life which would fall under the survey of the author of such a work. Much of this matter falls outside the scope of Mr. Smith's work, who writes not as a legal historian but as an exponent of the present Law of Associations in England. The time has not yet come for an exhaustive treatise even on the present law, and the author has wisely prescribed to himself limits of space which prevent him from attempting to give more than a bird's-eye view of a territory of which as a whole no description has hitherto been attempted. On the law of Corporations, of Companies, of Friendly Societies, of Clubs, of Trade Unions, we have treatises in abundance, and some of great merit, but no writer on English law has so far attempted to give us an account of the legal phenomena of group life in which 'associations corporate and unincorporate' should figure as species of one genus.

That lawyers have hardly begun to speak, and no one before Mr. Smith has written, of the Law of Associations in this country, is due on the one hand to the narrowness, on the other to the liberality, of our law. For the last three centuries at least our Common Law has been clear, that legal corporateness, the use of a common seal, the power to sue and be sued in a corporate name, must be the gift direct or indirect of the Crown. Thus putting aside bodies dating from an earlier time, whose corporate character might be brought within the rule by the application of not very credible presumptions, no body which had neglected to apply

for or had failed to obtain legal incorporation, was visible as a body to the eyes of the law. But to be invisible was not to be unlawful. If we except two statutes dating from the repressive period which followed the French Revolution, which are for all practical purposes a dead letter, and the more recent prohibition, dictated by reasons of public policy, of business partnerships consisting of numerous persons, a combination of 50 or 5,000 persons for any lawful purpose is no less lawful than the combined action of two or three. The law of contract, agency, and trust was sufficiently flexible to provide for the regulation of the rights and liabilities of the members of an unincorporated association among themselves, as well as for the protection of the property and other rights of the association against strangers, and for the satisfaction of the claims of strangers against it. Thus the narrow limits of legal incorporation have not prevented ancient unincorporated bodies like the Inns of Court from living a corporate life, nor seriously hampered the enormous growth of associations in our own day. But while the law of corporations proper has long formed a recognized rubric in our law books, the law of other associations needs to be disentangled from the interstices of other branches of the law in which it has been secreted.

Mr. Smith's work should appeal to a far wider public than does the ordinary legal text-book. It is no mere digest of cases intended to supply the practitioner with the ammunition which may serve him in litigation, but a statement of principles and a discussion of problems, in which wider than technical issues find their place. Yet this broader treatment is one which cannot fail to be of service even to those whose main interest is in the actual existing rules of law and their practical application, and the author brings to his task a sound and detailed knowledge of the various branches of law which enter into his subject. A few small points which need correction may be here noted. On p. 83 the opinion that the devise of a rent-charge is not a devise of land within the definition of the Mortmain and Charitable Uses Act, 1891, seems incorrect, and the statement that a 'reversionary interest does not fall within the Act' is untrue, unless the reversionary interest is subject to a trust for sale. On p. 103, where it is stated that the criminal provisions of statutes regulating friendly societies and other quasi-corporations seem to be invariably enforced by penalties against the officers and members of such bodies, and not by fines to be paid out of the common funds, the provisions of the Trade Union Act, 1871, s. 16, and the Trade Union, &c., Act, 1876, s. 15, which impose fines on the trade union as well as on the officers, have been overlooked. On p. 126 the statement that

our courts will not attempt to settle a scheme for the administration of a foreign charity is too sweeping, having regard to *Re Vagliano* [1905] W. N. 179.

The layman will turn with special interest to the author's introduction, to his discussions of such cases as that of the Scottish Free Church, in which the relation between legal and other questions is prominent, and to his last chapter on 'Theoretical Questions', in which he attempts to define the boundaries between questions which concern the philosopher and the historian and those which are within the proper domain of the lawyer. In these parts of his work he seems to me to waver between two different attitudes. In his Introduction he is strongly impressed with 'our lack of any general theory of juristic personality' which 'leads to legal conclusions which conflict sharply with the substantial facts of life and with the ordinary ideas of men'. On the other hand, in his last chapter he seems so anxious to exclude the incursions of the philosopher, that he rejects as irrelevant the reference to facts, such as corporate acts of gratitude or courtesy, which (as he points out) have no legal significance, but which, for that very reason, support the argument that corporate personality is something which exists outside the realm of law. I would submit, not only that the question of 'fact or fiction' is one which interests the ordinary citizen whose legitimate interest in the relations between law and life is being stimulated by such books as Mr. Smith's, but that even the practical lawyer cannot dismiss it as one which has no concern for him. A legal fiction has not even for lawyers the same effect for all purposes as a fact. Once a fiction is recognized as such, the tendency will be to give it only such legal effect as falls within the purposes for which it was made, unless indeed statute or precedent forbids such a limitation: legal logic is not so rigorous as to carry it through thick and thin regardless of consequences. Only the other day the Court of Appeal differed on the question whether the incorporation of an English company ought to be treated as a matter of substance, so that the company, whoever might be its shareholders, could, like a British subject, invoke the assistance of the English courts for the enforcement of its claims, or as a mere form, a cloak behind which the court could and ought to detect the faces of its alien directors and shareholders. W. M. GELDART.

War: its Conduct and Legal Results. By T. BATY and J. H. MORGAN (London: Murray, 1915, 10s. 6d. net).

This work from the pen of two able and learned writers goes a long way to meet the need which many must have felt for a statement

within a convenient compass of the main principles of law, international, constitutional, and private, which are applicable during a state of war, as well as of the special legislation which has been called forth by the needs of the present war and by some of which the application of those principles has been defined or the principles themselves largely modified or superseded. In the first part, in which Professor Morgan discusses the nature of a state of war, offences against the safety of the State, and the powers of the Crown at common law and under the older statutes for its maintenance, he exposes the confusion which has arisen from the application of the term martial law, which originally meant merely military law, i. e. the law relating to the discipline of military forces to a supposed supersession, by reason merely of the existence of a state of war, of the ordinary law by an arbitrary power of the military authorities over the whole population. There follows a chapter in which the extraordinary and uncontrolled powers of interference with the liberty of the subject conferred by the emergency legislation of 1914 are described. The same writer deals with the law relating to the armed forces of the Crown and their discipline, and the laws of war on land. In the chapter on the neutrality of Belgium and Luxemburg, he effectively criticizes the view put forward by Lord Stanley and Lord Derby in 1867, that a 'collective' guarantee binds none of the guarantors individually, the result of which would be that in the only probable case, that of a violation by one or more of the guarantors, the guarantee would be of no effect; and he calls attention to what was frequently forgotten in discussion immediately before the beginning of the present war, that the phrase 'collective' does not occur in the treaties guaranteeing the neutrality of Belgium, and that Lord Derby expressly distinguished the case of Belgium from that of Luxemburg, with regard to which the guarantee was expressed to be 'collective'. Dr. Baty deals with subjects of which he has made a special study, the laws of war at sea, the status of alien enemies as litigants and contractors, the rules against trading with the enemy (which, as it seems to me, he goes too far in separating entirely from the rule which forbids contracts with alien enemies, treating the latter as a mere corollary of the alien enemy's incapacity to sue), the procedure of prize courts and the law of contraband, blockade and unneutral service. In this connexion the lay reader should be warned against accepting, as undisputed doctrine, what appears to be Dr. Baty's view, that it is the duty of a Prize Court to disregard the authority of 'the local sovereign' when it contradicts an 'established principle' of international law. If by the 'local sovereign'

he means the executive issuing instructions by means of Orders in Council, the validity of the instructions may involve a question of constitutional law; if he means the legislature, Professor Holland's lecture on International Law and Acts of Parliament¹ may be suggested as a useful corrective.

Both legislation and judicial decisions have been very active since the beginning of this war, and it is unfortunate that a good deal has happened since the bulk of the work was finished of which it has been impossible for the authors to take adequate notice. Three Defence of the Realm Acts were passed before the end of November. The detailed and interesting criticism of the two earlier Acts and of the regulations made thereunder, in the course of which Professor Morgan argues with some force that the regulations to a large extent went beyond the powers conferred by the Acts, was already in type when they were superseded by a third Act and subsequent regulations (to which he admits that this argument does not apply), and occupies a much larger space than it was possible to give to the treatment of the enactments actually in force at the end of the year. Professor Morgan's official duties with the Expeditionary Force have made impossible any account of the further legislation passed in the early months of 1915, which has restored to a certain extent the right of the subject to trial by jury for offences against the third Act, and the regulations made under it. Similar reasons have no doubt caused the omission, in connexion with his treatment of high treason, of any reference to the important decision of the Court of Criminal Appeal in the case of Mr. Ahlers, the Sunderland consul (decided on December 18, reported in [1915] 1 K. B. 616), or, in connexion with the laws of war, to the trial and execution of the spy Lody.

With regard to the status of alien enemies Dr. Baty maintains the following propositions: (1) that the status depends, in the case of individuals, on nationality and not on the place of residence or carrying on business; (2) that in the case of corporations, the place of incorporation is not decisive; (3) that a subject of an enemy State, registered under the Aliens Restriction Act, 1914, is not resident in the United Kingdom with the licence of the Crown; and (4) that an alien enemy cannot be sued. Whatever may be said for these propositions on grounds of history or principle, they are in direct contradiction to the authority of the exceptionally strong Court of Appeal which on January 20, 1915, decided the cases grouped round *Porter v. Freudenberg* [1915] 1 K. B. 857 (see

¹ *Studies in International Law*, pp. 176-200.

5 *Political Quarterly*, 146). Dr. Baty's short references to these decisions show that he thinks them wrong, but for the present they hold the field, and obviously deserve a much fuller treatment than he has been able to give to them.

It is to be hoped that the learned authors will before long give us a new edition in which it will be possible to take fuller account of the developments of the last nine months.

W. M. GELDART.

War and Lombard Street. By HARTLEY WITHERS (Smith, Elder & Co., pp. 171, 3s. 6d. net).

In this book Mr. Withers explains and discusses with his usual lucidity, penetration, and lightness of touch the chief events which happened in the City during the three months which followed Austria's ultimatum to Serbia. He does not require of his reader any previous acquaintance with the technical terms of Lombard Street; yet both the man of business and the student of economics will find his book of the first importance. Most noteworthy are the sense of proportion and the firmness, born of experience, with which the author handles his subject. He deals first with the internal problem. He shows how serious were the difficulties of the joint-stock banks, partly owing to the fall in stocks, which terminated in the closing of the Stock Exchange, and rendered their own investments and the collateral of their loans unnegotiable, partly owing to the failure of the accepting-houses to meet their acceptances through the dislocation of the exchanges, and partly owing to their own liabilities as acceptors. These difficulties were increased by the alarming elevation of the Bank rate from 3 per cent. to 10 per cent. in three days (said to be due to the refusal of the Treasury to suspend the Bank Act until the level demanded by precedent was reached), by the momentary curtailment of accommodation to the bill-brokers on the part of the Bank, and above all by the fact that the Government had not an emergency currency in readiness in spite of the warnings of bankers. Under these circumstances it was not surprising that some of the banks forgot the old adage that the only way to stop a run is to meet it fearlessly, and refused to cash cheques except in the awkward medium of bank-notes. Had the emergency currency been ready like the Navy, the banking moratorium might have been avoided. The external problem, as Mr. Withers demonstrates, was primarily due to the immense strength of London and the inability of any other centre to supply short-dated credits when London mistakenly demanded payment.

For some time before the crisis the principal exchanges, save Paris, had been in favour of London, and notwithstanding the mass of securities thrown upon Capel Court, on the eve of war the pull of London was so strong on the other centres, except Paris, that they were quickly dislocated. Remittances could not be got to meet the obligations to the London accepting houses, as they fell due ; gold could not be moved ; stocks could not be sold. Mr. Withers clearly explains the various steps taken to meet the situation—the Proclamation of August 2 and the Treasury Notices of August 13 and September 5—and the measure of success attendant on each step. He traces the difficulty in restoring the exchanges mainly to an excessive austerity and some want of courage on the part of the accepting-houses and the banks in respect of finance bills. Finally, in a chapter entitled ‘ Afterthoughts ’, Mr. Withers makes a number of interesting reflections upon the opportunity of supplanting London in international finance which New York might have had under a sounder and more elastic banking system, upon the Government’s paper money, which will need careful watching, upon loans to the Stock Exchange and speculation, and upon the strength and adaptability of the Bank of England. On the whole, he leaves the impression that both the Government and the City acquitted themselves very well in a most critical and unprecedented situation. He adds several useful appendices which contain the text of the Proclamations, Treasury Notices, and Acts concerning the moratorium, bills of exchange, the paper currency, and similar matters. The appointment of Mr. Withers at the Treasury precludes the hope of a further discussion by him of the problems of Lombard Street when peace returns ; but to shape events rather than criticize them will no doubt be more satisfactory to him and more important to the country.

A. J. JENKINSON.

Nationality and the War. By ARNOLD J. TOYNBEE (Dent & Sons, 7s. 6d.).

This book may be read and judged in two very different ways, according as the reader concerns himself with the author’s theory or with his application. The theory may be described as an elucidation of the complex problem of nationality as it affects international relations. Mr. Toynbee holds, and surely with justice, that nationality can only be studied in the concrete. He proposes, therefore, to take the reader with him, not quite from China to Peru, but from Tyrone to Kabul, and show him all the burning questions of nationalism which must be solved,

if we are to look forward to peace in the future. From this survey emerges the interesting thesis that the boundaries of States are or should be determined by two factors, nationality and what may be called the compulsion of economic geography. Austria, as a national State, is a farce; as the State of the Danube basin, it has abundant justification. These two factors often conflict. Danzig is a German town, but the Vistula is Poland's only outlet to the sea; Trieste is largely an Italian town, but its economic hinterland is and must be Austrian. This conflict suggests that the only permanent solution of the vexed problems of Europe will be found in a diminution of national sovereignty. The form of the State will reflect its twofold basis. This theory is worked out in detail with great knowledge and interest. Viewed in this way the book is most instructive and illuminating.

Mr. Toynbee, however, has not confined himself to pointing out problems. He has illustrated his theory by supposing himself the Congress of Europe redrawing the map after the conclusion of the war in favour of the Allies. He has undertaken to say just how the boundaries of all States ought to run, if the Congress is sufficiently enlightened. In such a supposition there is bound to be an appearance of futility. The actual settlement will not be decided on such purely theoretical principles. There must be a certain amount of bargaining, and some attention will be paid to the side that different States have taken. Is it likely, for instance, that Russia, if strong enough to take Prussian Poland from Germany, will give back part of Bessarabia to Roumania? Mr. Toynbee's answer to this would probably be that he knows that the actual settlement will be a compromise, but that we are all the better for knowing the ideal solution. There is something to be said for the position that we shall understand the problems confronting us much better if we are offered solutions, even if the solutions are foolish, as some of any one man's are bound to be. The man who is going to enlighten us must be prepared to commit himself. Mr. Toynbee has committed himself right and left, and he has certainly succeeded in being enlightening. A more real fault is that the author has not always been true to his own position. Much of what he says of Germany is concerned with how best to treat a beaten enemy, not with nationality. If he is going to consider that, he must consider how to treat a victorious ally, and his game is up. On the whole, he would have done better if he had left to his readers the application of his masterly statement of problems; then there would have been no danger of their annoyance with some of his solutions diverting their attention from the great interest of the book.

A. D. LINDSAY.

Germany and Eastern Europe. By L. B. NAMIER (Balliol College, Oxford), with an Introduction by H. A. L. FISHER (London: Duckworth & Co.).

'In a world of many echoes, here at least is an independent voice.' These words, coming from Mr. H. A. L. Fisher, the well-known and brilliant historian, are high praise, but not too high for a book of remarkable insight and interest, and exceptional originality and freshness of style and treatment. Its main object is to present the present war, not in its Western but its Eastern aspect, not as an attack on France nor as a bid for colonial empire, but as an Eastern war, a climax in the ancient struggle between Slav and Teuton, and an opportunity for a sounder rearrangement of Eastern Europe. It has a wide range of reading in recent history and a strong historical sense, and is a valuable contribution to historical politics. Yet even our modern arbiter, the man in the street, will find it excellent reading, for it is full of good things, admirably put. What would a Bismarck have done last July instead of what was done by successors who inherited his brutality without any of his shrewdness? Why do the English take such a 'schoolboy view' of foreign politics? How have the Germans been able to dominate Eastern Europe, where every race hates them? What was the real inner meaning of the 150-years hold of Prussia upon Russian life? (There is a valuable note on this point by Professor Vinogradoff.) What are the two strands in Panslavism, and what has made the Polish question the key to European politics? How does modern German Imperialism diverge from Bismarck's 'Prussianism'? What makes Austria essential to Germany, all the more that Austria has replaced Turkey as 'the sick man of Europe'? All these questions are little understood in England. Mr. Namier treats them with an intimate knowledge and a power of graphic presentment that makes his book very educational to an English reader. His chief conclusion is, Austria must go, if only for the sake of 'free development for those distant countries with which lies the future'; but 'the German State must be allowed to survive in its integrity' even though 'German militarism will survive as long as there remains one German'; we might mildly suggest this (last sentence) is too strongly worded.

A. L. SMITH.

Germany and Europe. By J. W. ALLEN (G. Bell & Sons, London, 2s. 6d. net).

Britain's Case against Germany. By RAMSAY MUIR (Manchester, the University Press, 2s. net).

The Diplomatic History of the War, edited by M. P. PRICE (G. Allen & Unwin, November 1914, 7s. 6d. net).

Germany and Europe and *Britain's Case against Germany*, by two well-known historical teachers, necessarily overlap in regard to the common ground they cover. Also chapters iii and iv of Mr. Allen's book, and chapters i, iv, v of Professor Muir's, traverse the diplomatic antecedents of the war, about which, till more facts are revealed, there is not much to be said that is not well known already. Both books are capital reading, and show a deep historical sense and firm grasp. Both writers make a distinct effort to be fair to Germany. Mr. Allen explains the German ideal and 'the German delusion', adding in his last pages some thoughtful reflections on the character of Russia, the elements of Germany's true greatness, and the issues of this war. There is much original and interesting thought in his work, with a pleasant freshness and individuality both in style and in outlook. Professor Muir does justice to German history since 1648, and shows how into it, by judicious 'mobilization' of the facts, German professors have been able to read the Prussian moral, 'The one sin is feebleness'. His argument goes on to show that German policy has been all of a piece since 1889, and is at one with its recent literature; that Germany has allowed its very soul to be Prussianized; while yet in the rest of the world there has been growing up a far nobler view of international relations. As illustration of this, he gives an excellent list of the actual results achieved by the Concert of Europe since 1839, by the principle of Arbitration, by the Hague Conference, and by the existence of small States.

The Diplomatic History of the War is the fullest collection of such documents as are yet available. But since October last, when the collection was completed, a good deal of fresh light has been thrown on the causes of the war; and the book has a certain tone of bitterness and an obvious bias which detract from its value as a scientific record. It is not very helpful to have the war described as the work of 'diplomats whose skill and competence have hatched Armageddon out of the Seravejo egg'. It is not easy to convince readers in March 1915 that German mobilization before last August was 'no further advanced than French'. It is hardly true to describe

the Anglo-French Entente as 'developing into a strategic understanding . . . unknown to Parliament'. It is not easy to believe now that Germany tried 'to force Austria . . . to consult Russia about Serbia'. The whole case raised not very fairly against Sir Edward Grey ignores his dependence on the Cabinet, on Parliament, and on public opinion.

A. L. SMITH.

Trade Unionism. By C. M. LLOYD (A. & C. Black, 1915, pp. vi + 244, 2s. 6d. net).

This book, as its author tells us in his preface, is neither quite elementary nor an exhaustive study of trade unionism. It might possibly have been made in some respects more useful had it either been more elementary, or had the author dealt more exhaustively with rather fewer topics. As it is, Mr. Lloyd's treatment of the subject is perhaps a little difficult in places for the beginner, and one is at the same time left with a feeling of incompleteness with regard to the discussion of some of the many questions raised. One other criticism: there seems to be no reason why most of the numerous footnotes should not have been embodied in the text. The book, however, is one which was badly needed, and with the guidance of a capable teacher it should make a first-rate text-book for students of trade unionism. It is much more than an abridgement of Mr. and Mrs. Sidney Webb's volumes, for it discusses problems which had hardly come into prominence when these authors wrote; and it also brings the history of trade unionism down to the outbreak of the present war. Again, while Mr. Lloyd generally does full justice to views he does not himself share, he has his own point of view, and by no means accepts all the opinions expressed by Mr. and Mrs. Webb.

Trade union history is adequately sketched in the first forty-six pages, and the rest of the volume is devoted to theory and principles. Chapter vii contains a useful short account of trade unionism in Germany, France, and Belgium; and the final chapter an examination, with a well-balanced criticism, of the aims of Syndicalists and Guild Socialists.

The bibliography supplies a useful list of the most modern books on the subject.

H. SANDERSON FURNISS.

Rural Housing. By WILLIAM G. SAVAGE, B.Sc., M.D. (Lond.), D.P.H. (T. Fisher Unwin, 1915. 297 pp. 7s. 6d.).

People are heard sometimes to express wonder at the deficiency of housing accommodation, so generally complained of in country districts, in view of the equally common complaint as to the shortage of agricultural labour. The explanation is, of course,

that in most places cottage-building materials were not of a very permanent nature, and the rise in the cost of construction consequent on the employment of more durable substances and on a generally higher standard of living, in conjunction with the decline in agricultural values, have frequently had the effect of causing landlords to reduce, and even to abandon, their efforts towards replacement. So serious is the position at the present day that it would probably be impossible to find a rural sanitary authority within whose jurisdiction there are not scores, and very probably hundreds, of cottages totally unfit for habitation, and incapable in many cases of reconstruction, which escape condemnation only because there is no other accommodation available for their occupants.

Much has been written on the subject of late, and a Departmental Committee has reported on it, but Dr. Savage, drawing on his long experience as a public health officer, speaks with special authority. It is not necessary to follow him through his discussion of the details of cottage construction which forms a large part of his book, but it may be noted that he avoids the too common error of setting to work without a sufficient appreciation of the labourer's point of view. For example, he does not join in the general condemnation of the parlour, so frequently derided as a mere storehouse for ugly furniture which is never used, and for ornaments still uglier which are never seen. Probably the 'drawing-room' in most middle-class houses is equally useless, but it is the visible expression of the desire for a certain standard of refinement of living, and the labourer's aspirations in this direction are surely entitled to sympathetic consideration.

The outstanding obstacle in the way of cottage-building is finance, and the only way in which it can be removed permanently is by raising the wages of the country worker sufficiently to enable him to offer a commercial rent, and so to attract capital to this form of enterprise. When one remembers the strong appeal which bricks and mortar make to the small investor, who likes to put his savings into something he can look at, it is obvious that the cottage problem would then be no problem at all. But this solution of the difficulty will not supply the immediate need, and after an analysis of the various proposals before the public, Dr. Savage is inclined to recommend State grants to County Councils (not to District Councils), repayable on easy terms, and he hopes that when the present shortage has been remedied, an improvement in the earnings of the farm labourer will make its recurrence impossible.

A very good book.

C. S. ORWIN.

Livelihood and Poverty. By A. L. BOWLEY, D.Sc., and A. R. BURNETT-HURST, B.Sc., with Introduction by R. H. TAWNEY, B.A. (London: G. Bell & Sons, Ltd., pp. 222. 3s. 6d. net).

Poverty is as much a national disease as alcohol a racial poison, and we are at last interpreting it as such. Hence the modern concern about its genesis, its symptoms, its ravages, its after effects: hence too the study of it not only in the character of an individual misfortune or an individual punishment, but also in that of a social blight. Mr. Charles Booth's wonderful study of London was so massive that most people must be content with the summaries; Mr. Seeböhm Rowntree's of York was described as too little typical for its grave discoveries to be disquieting; and the choice of areas like West Ham and Salford by other investigators gave a stick to those critics who accused the social pathologist of an interest in the subnormal.

In the book before us the conditions prevalent in Northampton, Warrington, Stanley, and Reading are detailed. It gives the symptoms and the immediate causes of poverty in those areas, and Dr. Bowley states that they are probably 'representative of the large number of towns ranging in population from 40,000 to 150,000'. Themselves diverse in innumerable ways, these four districts are taken as typical, in the main, of what must be some 100 districts in England and Wales. The first four tables given show the housing conditions, and the relation of rents to incomes: tables v and vi are particularly interesting as displaying the constitution of the households, and the numbers and kinds of dependents; tables vii to x relate to wages and the standards of life, and in them it is shown that insufficiency of wages in far the largest number of cases is the primary cause of poverty. It is noteworthy that the worst housing and the lowest wages, to take those two phenomena only, do not go together, a fact that may prove important for the purpose of reform.

It would do less than justice to the investigators to quote their conclusions baldly, to show even Dr. Bowley betrayed into strong language, to hint at novel objects of research, novel standards of judgement, and a bold use of sampling. The book is small and unpretentious, but it is a book that no one interested in modern conditions can afford to leave unstudied. Surveys so vitally important, and so cheaply conducted, ought to be carried out far and wide, and their safe results published, as in these pages, without any superfluous or sentimental word. The figures are eloquent enough, and the authors are sufficiently thanked in the statement that they have done wisely in letting them speak.

F. W. CUTHBERTSON.

SELECT LIST OF BOOKS RECEIVED¹

- The Collected Papers of John Westlake on Public International Law.* (Cambridge University Press, 18s. net.)
- Law of the Constitution*, 8th ed., by A. V. Dicey. (Macmillan, 10s. 6d. net.)
- War : its Conduct and Legal Results*, by T. Baty and J. H. Morgan. (Murray, 10s. 6d. net.)
- Constitutional Law of England*, 2nd ed., by E. W. Ridges. (Stevens & Sons, 15s.)
- Essays Political and Historical*, by Charlemagne Tower. (Lippincott, 6s. net.)
- Introduction to the Study of Government*, by L. H. Holt. (Macmillan, 8s. 6d. net.)
- A Political History of Contemporary Europe since 1815*, by Charles Seignobos. Popular edition. (Heinemann, 6s. net.)
- Nationality and the War*, by Arnold J. Toynbee. (Dent, 7s. 6d. net.)
- The New Map of Europe*, by Herbert Adams Gibbons. (Duckworth, 6s. net.)
- The Governments of France, Italy, and Germany*, by A. Laurence Lowell. (Harvard University Press, and Milford, London, \$1.25.)
- France in Danger*, by Paul Vergnet (trans. by Beatrice Barstow). (Murray, 2s. 6d. net.)
- Modern Germany*, 5th ed., by J. Ellis Barker. (Smith, Elder & Co., 7s. 6d. net.)
- What is Wrong with Germany?* by William Harbutt Dawson. (Longmans, 2s. 6d. net.)
- International Socialism and the War*, by A. W. Humphrey. (P. S. King, 3s. 6d. net.)
- The Panama Canal and International Trade Competition*, by Lincoln Hutchinson. (Macmillan, 7s. 6d. net.)
- The Interpretation of History*, by L. Cecil Jane. (J. M. Dent, 5s. net.)
- The Arya Samaj*, by Lajpat Rai. (Longmans, 5s. net.)
- The British Empire* (six lectures), by Sir C. P. Lucas, K.C.B., K.C.M.G. (Macmillan, 2s. 6d. net.)
- Canadian Essays and Addresses*, by W. Peterson. (Longmans, 10s. 6d. net.)
- Brazil and the Brazilians*, by C. J. Bruce. (Methuen, 7s. 6d. net.)
- Free Trade and Protectionism in Holland*, by A. Heringa. (T. Fisher Unwin, 3s. 6d. net.)
- The India Office List, 1915.* (Harrison & Sons, 10s. 6d. net.)
- The Foreign Office List, 1915.* (Harrison & Sons, 10s. 6d. net.)
- Juvenile Courts and Probation*, by B. Flexner and R. N. Baldwin. (Grant Richards, 7s. 6d. net.)
- Work and Wages, Part III : Social Betterment*, by S. J. Chapman. (Longmans, 9s.)
- System of National Finance*, by E. Hilton Young, M.P. (Smith, Elder & Co., 7s. 6d.)
- The Effects of the War on the External Trade of the United Kingdom*, by A. L. Bowley. (Cambridge University Press, 2s.)
- Minimum Rates in the Tailoring Industry*, by R. H. Tawney. (Bell & Sons, 3s. 6d. net.)

¹ For list of books reviewed see Table of Contents, p. iii.

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